

# FRANCES BAARD

*DISTRICT MUNICIPALITY*



***ANNUAL BUDGET***  
***2009/10***

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# ***MAYORAL BUDGET SPEECH***



**BUDGET SPEECH 2009- 2010**  
**FRANCES BAARD DISTRICT MUNICIPALITY**

**ADDRESS DELIVERED BY THE EXECUTIVE MAYOR –  
COUNCIL MEETING 27 MAY 2009**

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**Honourable Speaker, Councillors,  
Municipal Manager and officials,  
Members of the media,  
Members of the public**

As I present our budget for the financial year of 2009/2010, we have to be mindful of the progress we have recorded, the goals we have set for ourselves and the context we are working in as a district – as all of these factors have influenced what we are putting on the table today.

At a time like this we therefore have to look back on what the municipality has achieved, where we have failed and where we still need to make improvements. Having said that, I am sure that all of us as a collective can say with unison that “we are proud of our past service delivery record and confident of the future’

I should begin by saying that we must, however, take into account the fact that the balance of forces both at local and global level are not static, they evolve time and again as society evolves. The great German thinker and revolutionary, Frederick Engels, acknowledged the inevitability of change and the dynamic and historical character of nature and society.

In his own words, Madam Speaker, Engels said: “nothing is instable except stability, nothing is immovable except movement”: In fact, the only thing which cannot alter in the universe is change itself. Madam Speaker as we reflect on our experience of change since we took office in 2006 under the new system of local government, we have witnessed both quantitative and qualitative changes in the sphere of local government. The major qualitative change in our system of local government has been the introduction of the Municipal Finance Management Act (MFMA). The new piece of legislation has had major impact on the financial management system of local government in the Republic.

Most of our delivery effort over the past years has been focussed on assisting category B- municipalities in terms of infrastructure for the provision of free basic services as well as operation and maintenance support. In addition to that we have assisted the smaller municipalities with ad hoc administrative and financial management support on budget reforms and now have a functional shared audit service for the district. We have also put a lot of effort into institutional and administrative reforms, developmental issues (HIV/Aids and Social responsibility), governance and financial reforms. These efforts have been rewarded in the form of being a provincial winner of Vuna awards in 2006 and 2007 for the Northern Cape Province (District Municipality) and second runner up for National in 2006 and Provincial in 2008. In Dikgatlong for the year 2009/2010 we have budgeted R,2,500,000 on infrastructure projects for the upgrading of the Bulk Water Supply in Barkly West and the Water Reticulation for 50 sites in the Barkly West town. In Magareng municipality for 09/10 we set aside R,2,500,000 for the provision of Water Reticulation Network for 558 sites in Warrenvale. In Phokwane we allocated the amount of R3,200,000 for Sewer Connections for 840 sites in Jan Kempdorp. In Sol Plaatje, an amount of R2,500,000 is allocated for the provision of water and sanitation to 200 households in Ikageng ( Ritchie). In the DMA we allocated R3,991,700 to assist with basic services for farm workers,

The budget I am presenting to Council for adoption has gone through the following process: As required by law, the Executive Mayor has tabled to Council a Budget Process Plan in August 2008. Almost, simultaneously in the district the IDP review process was rolled out with the participation of all the municipalities, in order to review needs, assess delivery and prioritise still existing or new areas for development and service delivery. Our process has been very much in line with national priorities and show that we are not misdirected in terms of our priority areas. As in the budget speech of Minister Manuel, our priorities still direct us to invest in infrastructure in order to assist municipalities to speed up free basic service delivery. Water, sanitation and electricity provisioning still top our priority list. Housing has also been indicated as a high priority need – a function that does not yet belong with us. The Department of Housing and Local Government is, however, in the process of accrediting district municipalities in the province which will enable us over the next few years to take over this function.

I would now therefore like to take you through a more detailed presentation of how we propose to invest the funds that have been entrusted to us. I want to remind all of us here that this budget is linked to our 5 key performance areas as agreed to during our IDP review process. I want to remind officials that their performance contracts have been linked to these KPA's as well. The process we have started since August 2008 has only come to part fruition here today.

In order to meet the continuing challenge of infrastructure provision at a district level, the municipality earmark R13,991,700 for infrastructure projects; R9,763,033 for maintenance of infrastructure and R16,966,967 to unallocated funds adding to R 40,721,700 for the 2009 / 10 financial year to be allocated to category B-municipalities in the district. In order to prevent slow or non-implementation of infrastructure grants (both from the district and other spheres of government), Council will monitor closely expenditure in this area and strictly enforce our policies on this matter. In addition to our huge investment in infrastructure, it is a serious cause of concern that our municipalities have very diminished capacity in terms of maintaining this investment that both national and provincial government

as well as the district municipality is making. In this regard, FBDM is currently serving as a pilot site over the next few years as part of a partnership with DHLG, DBSA, SALGA Northern Cape and SIDA, to see how we can empower our municipalities to maintain this and other infrastructure across the district. Staff of municipalities will be empowered to do this work themselves and municipalities will be encouraged to increase their budgeting for operation and maintenance to protect government's investment. The FBDM will increase its funding and create a dedicated fund for this purpose, to the amount of R10 million for the 2009/10 budget year.

We have managed to assist municipalities in the district through our PIMS centre with drawing up and reviewing their IDP's on an annual basis. We are moving much closer to alignment of our budget with the IDP and are legally bound to avoid funding anything which has not been included on our IDP. In the new financial year our PIMS centre will drive the formulation of new IDP planning for the next five years and will assist the processes at local level. In addition to this we are helping category B- municipalities to address gaps in their IDP's which may be a result of lack of spatial planning

The District Municipality is assisting the smaller category B- municipalities also in our joint objective to ensure healthy and safe communities. To this end, we are assisting through our environmental health officers to do food and water quality testing, as well as waste management at a district level. A number of waste sites in the district have not been registered or are not managed according to the prescripts of the National Environmental Management Act (NEMA). FBDM has already assisted Dikgatlong in fencing their dumping sites and will continue to assist municipalities in meeting the requirements of the NEMA. We will also ensure as a district that we ourselves as well as our local municipalities are increasingly empowered to implement the requirements of the Disaster Management Act. For this and other objectives relating to a safe environment we have made provision on the budget for R5,046,440.

We have managed to increase the public profile of the municipality through our “Council meets the People” communities meetings over the past two years as well as the production and distribution of a quarterly newsletter which is distributed across the district. A total amount of R1 , 963, 930 is provided on the 2009/2010 budget for marketing and communication, in order to ensure that the work of the District Municipality and consultation with communities is adequately attended to.

Madam Speaker we have to admit that though we have managed to achieve a number of milestones, we are not a picture of perfection. If we were, there would be no more room for improvement and we are all aware that this is certainly not the case. We are continuously refining the budget process in order for it to be more inclusive, more responsive and much clearer. As councillors and officials we have to learn more about what is required from us and keep on engaging with it. I am appealing to management to demystify and make the process as simple as we can under the circumstances. I am also appealing to all of us to see the budget as a powerful tool for delivery and transformation and to take out some of the stress and anxiety that is still experienced. We need to be constantly aware that our mandate is to address the needs of the people in our district and the municipalities in the district.

We have to acknowledge that if municipalities in our district have problems, then so do we. We have not adequately addressed economic development in our district, and this need to be a more intense area of focus now that we have the guiding framework of the Provincial Growth and Development Strategy. We have to ensure that our programmes are aligned with National and Provincial priorities, whilst prioritising those most acute needs at a local level. We have to insist on the participation of national and provincial departments in our IDP’s. We now have the assurance that this is likely to happen, because of the instruction from the President’s Coordinating Council to the Office of the Premier to drive this process of alignment.



We have to ensure that we keep abreast and plan for the possible further delegation of more functions to the district municipality level. The Service Delivery and Budget Implementation Plan have by law to be tabled within 14 days of adopting this budget to the Executive Mayor. The document is likely to be tabled at the next meeting of Council for notification.

In terms of the Service Delivery and Budget Implementation Plan (SDBIP) each Department in this municipality will regularly be reminded how they have determined goals, objective and key performance indicators, in consultation with Council. Council's role (in terms of the MFMA) is to ensure oversight and monitoring. It is also important to understand the key role and responsibility that the Executive Mayor has to play, in terms of Sections 52-56 of the Municipal Finance Management Act. We have done the best we could and despite the difficulties of capacity, comprehension and time deadlines, we have a budget that is pro-poor and which we are able to defend. There are a number of areas which still need work in the future. We are still challenged to ensure that we have a lean but productive and efficient administration, and to free as much of our resources for direct investment into and benefit to the community.

We need to understand that our IDP, our budget and our Service Delivery and Budget Implementation Plan are legally binding decisions of Council and cannot be deviated from without permission from National Treasury. Let us make sure that we use all other assistance available in order to ensure that our planning and our budget are not just documents for the shelf. Let us ensure that our budget serves the interest and development of our people. All of us here will be held accountable and all of us have to work collectively in order to ensure that we focus on good governance and service delivery.

We are not at liberty to toy with the emotions of our people nor to make a mockery of our own planning. Apart from the fact that we would have made false promises, we will be judged severely by the Auditor General and other over-sight structure if we do not ensure

the execution of our budget service delivery plan which is the next step we have to follow. I ask all of you to help me to monitor the implementation and expenditure as the year progresses, to keep track of our projects and pursue these goals with urgency.

**I want to sincerely thank all Councillors, the Municipal Manager, the management team, unit heads, officials, stakeholders, government departments and members of the public who have given input and may still be inputting to this process. I thank you for your attention and I invite you across the political spectrum to come on board and approve the 2009/10 Budget of Frances Baard District Municipality as per recommendation set out in the item before you.**

**I thank you**

# ***BUDGET RELATED RESOLUTIONS***

## **RESOLVED**

1. Council resolved that the annual budget of the municipality for the financial year 2009/10 as per Budget Related Resolutions of the budget document and indicative for the projected outer years 2010/11 and 2011/12 be approved as set out in the following schedules:
  - 1.1 Executive summary of revenue & expenditure reflected in schedule 1 (Page 1);
  - 1.2 Operating revenue by source reflected in schedule 2 (Page 2);
  - 1.3 Operating expenditure by vote reflected in schedule 3 (Page 3);
  - 1.4 Operating expenditure by type reflected in schedule 4 (Page 5);
  - 1.5 Capital expenditure by vote reflected in schedule 5 (Page 6);
  - 1.6 Capital funding by source reflected in schedule 6 (Page 7);
2. Council resolved that tariffs for property rates in the District Management Area (DMA) as reflected in the Executive Summary (Page ES-25 to ES-27) be approved for the budget year 2009/2010.
3. Council resolved that tariffs and charges reflected in Executive Summary (Page ES-25 to ES-27) be approved for the budget year 2009/2010.
4. Council resolved that the measurable performance objectives for revenue from each source reflected in Table 3 be approved for the budget year 2009/2010.
5. Council resolved that the measurable performance objectives for each vote reflected in Table 4 & 6 be approved for the budget year 2009/2010.
6. Council took note of the approved amended Integrated Development Plan for the budget year 2009/2010.
7. Council took note of the approved policies for credit control, debt collection and indigents for the budget year 2009/2010, and that amendments will be submitted as and when necessary.

8. Council took note of the amended tariff policy for approval by Council under a separate item in respect of the 2009/10 budget year.
9. Council took note of the property rates policy for approval by Council under a separate item in respect of the 2009/10 budget year.
10. Council noted that the SDBIP will be tabled to the Executive Mayor within the prescribed time frame as stipulated in the MFMA.
11. Council approved that the provision for indigent burials (Office of Executive Mayor) be increased with R20 000 and that a separate provision of R20 000 be made for pauper burials (Environmental Health).
12. Council approved that the amount budgeted for the Youth Unit be increased to the total of R600 000.

***APPROVED AT COUNCIL MEETING:***

***27 MAY 2009***

# ***EXECUTIVE SUMMARY***

## **EXECUTIVE SUMMARY**

### **INTRODUCTION**

The budget for the 2009/10 financial year has been drawn up in terms of chapter 4 of the Municipal Finance Management Act of 2003 (MFMA) and the Municipal Systems Act of 2000 (MSA) on matters specifically related to the budget as well as direction from National Treasury on policy guidelines (MFMA Circular no: 28 & 48).

The Finance Minister Trevor Manuel in his recent budget speech made it clear that the public sector needs to start taking concepts of effectiveness and efficiency far more seriously and to employ stricter controls as well as oversight measures in order to be more accountable for performance. A greater sense of responsibility is required; programmes and initiatives must offer value for money and wastage must be reduced and /or eliminated. The Minister further emphasize on the sharp downturn experiencing in the global economy and the impact it might have on the South African economy with specific reference to slower growth which will be characterized by rising unemployment, decline business profitability and closure of some companies.

Given the current economic crisis, municipalities must give priority to managing revenue streams, protecting the poor from the worst economic downturn impacts, supporting meaningful local economic development initiatives that foster micro and small business opportunities and job creation as well as expediting on capital projects that are funded by conditional grants. Municipalities must also pay special attention to eliminating all unnecessary spending on nice-to-have items and non essential activities such as insufficient control of foreign travel, advertising, public relations activities and the use of consultancy services.

Taking into considerations the aforementioned issues highlighted by the Minister of Finance, the proposed budget covers all revenue and expenditure matters as presented by management after thorough evaluation of the operational resources and costing in order to effectively achieve objectives set in conjunction with Council. Matters that still need further refinement are proper planning methods to ensure effective implementation of projects, the development of “SMART” key performance indicators to determine clear outputs / outcomes to be achieved and running of awareness campaigns prior to the budget consultation process in order to encourage the community / stakeholders to actively participate. Any amendments regarding the abovementioned issues will be incorporated in the adjustment budget proposal to Council in December 2009.

The annual budget in respect of the 2009/10 financial year has been prepared according to the approved IDP / Budget Process Plan and consists of the following six processes:

- **Planning:-** Schedule key dates, establish consultation forums, review previous processes. The Executive Major has during August 2008 tabled a time schedule outlining key deadlines for reviewing the IDP, preparation, tabling and approval of the budget.
- **Strategising:-** Review IDP; Set service delivery objectives (3 years); Consider local, provincial and national issues; Consider previous and current year performances; Consider economic and demographic trends; Review policies and consult on tariffs
- **Preparing:-** Prepare budget, revenue and expenditure projections; Draft and amend policies; Consider local, provincial and national priorities.

- **Tabling:-** Table draft budget (*90 days prior to new financial year*), IDP & Budget related policies; Consult and consider formal responses from local, provincial and national
- **Approving:-** Council approves budget and related policies 30 days prior to new financial year
- **Finanlising:-** Publish approved Service Delivery and Budget Implementation Plan (SDBIP) as well as Annual Performance agreements and key indicators.

#### **OUTCOMES OF CONSULTATIVE PROCESS**

After Council's approval of the draft annual budget on 25 March 2009, the following consultation processes and meetings in terms of section 23 of the MFMA were held with identified stakeholders on the contents of the budget as well as on measurable performance indicators for the 2009/10 budget year:

- |  |                       |
|--|-----------------------|
| • IDP / Budget Strategic Session                               | 07 – 09 October 2009  |
| • Working Sessions – HOD's / Unit Managers                     | 09 – 17 February 2009 |
| • Workshop with Council  | 04 March 2009         |
| • Submission Draft IDP / Budget to Council                     | 25 March 2009         |
| • National Treasury and other sector departments as prescribed | 01 April 2009         |
| • Advertisement in local newspaper                             | 07 April 2009         |
| • District Representative Forum                                | 05 May 2009           |

Except for the inputs and amendments made during the consultation process no other submissions have been received in writing for consideration.

#### **ALIGNMENT OF BUDGET WITH INTEGRATED DEVELOPMENT PLAN**

One of the district municipality's key goals remains the continuous improvement on the alignment between the Reviewed Integrated Development Plan (IDP), the Budget and Performance Management System of the Council. The link between the IDP, Budget and Performance Management System has been achieved by focusing on the strategic objectives, core business and functions of the District Municipality.

The IDP has been amended to focus on internal Capital Investment as well as the Operating and Maintenance costs of individual projects prioritised over as five year period with the commencement as from the 2009/10 financial year. The district municipality invests over 50% of its operating budget into infrastructure, maintenance, local economic development and social projects as support to the local municipalities in its district area as well as the district management area.



Beside grant funding the District Municipality still plays an important roll to provide counter funding for MIG, DWAF, etc. projects as well as funding for maintenance and other infrastructure projects per needs identification of the various local municipalities. Funding has further been allocated to some of the priority projects through rollovers from 2008/09 and unspent grant funding i.r.o. previous years. The District Municipality has approved a new orgranogram during the 2006/07 financial with three Engineer Technicians who plays an important roll to facilitate and co-ordinate the process of implementation at the various municipalities, except for Sol Plaatje Municipality.

### ***DEVELOPMENT OF A PERFORMANCE MANAGEMENT SYSTEM***

The IDP has been amended to include Performance measures at an organizational level in line with organizational objectives. A process to unpack the Key Performance Indicators (KPI's) and targets has also been commenced. The full implementation of the Performance Management System (PMS) will only be possible in the following year after an intensive capacity building programme, a process which has already commenced through a PMS awareness audit.

### ***SECTOR PLANS***

The preparation of Sector Plans is a prerequisite for the preparation and adoption of Integrated Development Plans. In the last four years all relevant sector plans and integrated programmes have been prepared with the exception of the District Local Economic Development Strategy and the Spatial Development Framework (SDF).

#### **❖ District Local Economic Development Strategy:**

All local municipalities in the district have prepared and adopted respective Local Economic Development Strategies. The district LED strategy coordinates and brings together all the LED strategies of the local municipalities in the region. Thus it has to be prepared when all LED's for the B municipalities have been finalised. The preparation of the District Local Economic Development Strategy as well as a District Tourism Master Plan closely aligned to the Provincial Tourism Master Plan has been finalised during the 2008/09 financial year and the roll out of identified projects will start as from the 2009/10 budget year.

#### **❖ Spatial Development Framework (SDF):**

The preparation of a Spatial Development Framework (SDF) is a requirement of Section 26(e) of the Municipal Systems Act 2000. A SDF is a development plan (spatial) that identifies the optimal location of resources within a municipality. The SDF for the district coordinates and takes into consideration the SDF's of local municipalities. The Spatial Development Framework for all the local municipalities have been developed and adopted as part of the IDP.

### ***SOCIO –ECONOMIC ANALYSIS***

Frances Baard District Municipality is the smallest district in the Northern Cape Province. It has a total area of approximately 12,384 square kilometres and accounts for 3.4% of the total geographical area of the province. However, the district accommodates about 324,800 people or slightly over 40% of the provincial population (*Census 2001 – Statistics SA*). The district consists of four main local municipalities and a District Management Area (DMA). These are Sol Plaatje, Magareng, Dikgatlong and Phokwane municipality.

### ***Demographic Composition:***

The population of the Northern Cape is mainly dominated by Coloureds – 51.6%. However, in Frances Baard District municipality Tswana, Sotho and Xhosa are the dominant (60.5%) racial group. The outstanding characteristic of the population composition is its dominance by the youth. Over 30% of the population is less than 15 years of age and about 65% of the population is economically active (16-64 years). Only 5.3% of the population are pensioners ( $\geq 65$  years) further demonstrating the youthfulness of the population. Similar to the province and to the rest of the country the gender composition of the district is dominated by female (51.8%) whereas the Northern Cape Province is 51.2%. Statistics indicate that the district as a whole experienced negative growth between 1996 and 2001, only Phokwane municipality had a positive growth rate of 1.2% per annum. However, household growth rate in the same period was 4.31% per annum. The increase in numbers of households is mainly due to the decrease in average household sizes. In 1996 and 2001 the household sizes in the district were 4.49 and 3.88 persons per household respectively.

The majority of the population has low levels of education, for example 25.1% of the population over 20 years has either no schooling or has only primary education, 18.4% has grade 12 and only 7% has higher education. Thus although 62.4% of the 15-24 years old age group attended school, only 1.6% attended tertiary level education. Consequently this poor education base has restricted skills development and diminished the chances of employment of the district population. This is demonstrated by the high levels of unemployment (41%) in the district and the low levels of wages for those who are employed (81% of those who are employed earn less than R3200 per month).

### ***Economic Analysis:***

The main economic activities of the district are agriculture, mining and tourism. The economic growth of the district is estimated at 3.7% per annum, slightly above the national average of 2.5% per annum (*CSIR 2004*). Although agriculture and mining are the dominant economic activities in the district, however the greatest contributors to the district annual income are community services, finance, transport and trade. (*Gaffney's Local Government in SA 2004-06*).

Within the province Frances Baard District Municipality provides 32% of the primary sector employment. It is important to note that with an exception of agricultural sector, Frances Baard District Municipality contributes over 30% towards employment in each sector in the Province.

Frances Baard District Municipality has adequate potential for fast economic development with limited economic threats. These may be highlighted as follows:

1. Development threats:
  - Depleting mineral resources
  - Relatively small population
  - Availability of water
  - Small domestic market

## 2. Development Opportunities:

- Beneficiation
- Bilateral agreements
- Tourism
- Corporate social investment
- Activities with forward and backward linkages

### ***Employment Analysis:***

Frances Baard District Municipality has one of the highest rates of unemployment (41%) in the Province. Other districts enjoy slightly lower unemployment rates e.g. Siyanda 27%, Pixley ka Seme 36.1%, Namaqua 28.5% and Kgalagadi 41.9%.

There are about 211 594 people in the economically active group (15-65 years). Of these about 88 421 people are not economically active, 50 525 people are unemployed and 72 648 people are employed in the following sectors:- formal sector – 78.6%; informal sector – 9.7%; farming – 10.5% and 1.2% are employed in temporary activities. (*Census 2001 – Statistics SA*).

Magareng and Dikgatlong municipalities are the weakest municipalities in the district; with little or no competitive advantage over the other municipalities. With an exception of the agriculture, mining and electricity sectors, Sol Plaatje municipality dominates in employment opportunities in all the employment sectors.

### ***Social Facilities - Basic Services:***

In the first decade of democracy the district has made significant progress towards meeting the provincial targets, national targets and millennium goals set for the provision of basic services e.g.:-

- ***Water:***

93% of the households in the district have access to basic water supply. However about 6 444 households have no access to basic water supply, of whom 4 348 households live in urban areas and 2 096 households live in farms. Phokwane municipality has the highest water backlog (2 350), followed by Sol Plaatje (1 545), Magareng (1 230), Dikgatlong (1 113) and the DMA (202). The continuous household formation renders the achievement of the set targets difficult to achieve. Between 2001-2005 a total of 9 250 households were provided with basic water. About R39 million is needed to eradicate the water backlog. (*DWAF – Sept.2005*)

- ***Sanitation***

About 79% of all the households in the district have access to sanitation facilities. However, 18,892 households have inadequate or no sanitation facilities; of which 47% are bucket toilets. Between 2001-2005 a total of 7 292 households were supplied with sanitation facilities. It is estimated that to eradicate the current backlog will require about R99 million. (*DWAF – Sept. 2005*)

- ***Electricity***

Between 2000-2005 about 16,595 households were electrified. However about 21,122 households remain without electricity. (*DME – March 2005*)

All the municipalities in the district provide free basic electricity to about 19,252 households. It is further estimated that about 28% of the households in the district have no access to electricity (*DBSA-Paper on growth and development – February 2007*)

- ***Housing***

One of the main objectives of the Integrated Development Plan is to ensure sustainable human settlement development. There are 83,653 households in the district of which 18,259 (21.8%) lack appropriate shelter, i.e. one out of every five households in the district are homeless. These are distributed as follows: - Sol Plaatje 10 966, Phokwane 3 021, Dikgatlong 2 727, Magareng 1 289 and the DMA 256. Between 2000-2005 about 8 458 housing units were built geographically distributed as follows:- Sol Plaatje 5 491, Phokwane 1 400, Dikgatlong 403 and Magareng 1 100. It is estimated that it will cost about R781,077,983 to eliminate the housing backlog. (*FBDM – Profile Sept. 2005*)

The backlog on housing is rapidly increasing given the rapid rate of household formation and municipalities are not coping. Thus in the new Housing Comprehensive Plan – “Breaking New Ground” new approaches have been recommended and adopted. The Informal Settlement Upgrading Programme, is one of the approaches which has been adopted and is being implemented at Lerato Park in Sol Plaatje municipality. In order to further facilitate and enhance the increase demand for effective service delivery, the four District Municipalities in the Province has been chosen as a pilot to receive accreditation for rendering of the housing function on behalf of the Department Housing and Local Government. Service delivery agreements has been signed and the first phase for accreditation will be completed during the 2007/08 financial year.

- ***Transport and Access:***

An Integrated Transport Plan (ITP) has been prepared and adopted by Council and will soon be reviewed. Its objective is to ensure that all commuters irrespective of the mode of transport used have access to reliable convenient and comfortable mode of transport. However the dominant mode of transport in the Frances Baard District municipality is on foot 57.7%; car 21.5%; taxi and mini buses 16.7%; bicycle 2.4%; train 0.2%, etc. (*Census 2001 – Statistics SA*). To promote easy access to transport all new township establishment plans are provided with appropriate access roads.

- ***Environment:***

In order to give effect to the provisions of Section 24 of the Constitution of South Africa – 1996 and Chapter 3 of the National Environment Management Act 1998; the district has prepared and adopted Integrated Environment Management Plan (IEMP) and Integrated Waste Management Plan (IWMP) for the district and local municipalities. Two other policy documents – the Biodiversity Plan and the Pollution Control Plan will soon be prepared.

The IEMP clearly maps out areas of architectural and archaeological importance; sensitive biodiversity areas and other areas with outstanding flora and fauna. Issues raised in the IWMP and the IEMP are still relevant and these plans need not to be reviewed in the near future.

### ***DISTRICT-WIDE PRIORITY ISSUES:***

The district-wide priority issue is an overall assessment of socio-economic and environmental needs of the district population. It provides politicians and decision makers with a quick checklist of needs of the community. Some of the key priority issues and focus areas of the district municipality can be summarised as follows:-

- Provision of water, sanitation, electricity and housing;
- Stimulation of Local Economic Development (LED);
- Identification and provision of Land;
- Roads and public transport;
- HIV / AIDS;
- Education facilities;
- Health and clinic services;
- Cemeteries;
- Tourism development / poverty alleviation;
- Safety and security;
- Sports, recreation, arts & culture;
- Social development and welfare services;
- Waste management and environmental quality
- Illiteracy training & capacity building
- Disaster management
- Anti-corruption and improved service delivery

The provision of basic services (water, sanitation, electricity, housing, etc) dominates the priority list of the district municipality. However, in the last five years (2004-2009) other socio-economic issues like Land, LED, Health and HIV/AIDS have become more and more significant.

### **ALIGNMENT WITH NATIONAL, PROVINCIAL AND DISTRICT PRIORITIES**

Short, medium and long term steps underpin the vision of the District Municipality in improving the quality of life of communities in the district. Developmental strategic goals, objectives and annual priorities were therefore identified for the five-year electoral term of office of the Council. These focus areas are encapsulated in the IDP in accordance with the 5-year Local Government Strategic Agenda and Implementation Plan and the Local Government: Municipal Performance Regulations for Section 57 employees, the main KPA's for municipalities are:-

- Basic service delivery
- Municipal Institutional Development and Transformation
- Local Economic Development (LED)
- Municipal Financial Viability and Management
- Good governance and public participation

On this basis therefore strategic priority issues were identified and adopted. The outcome of these strategic goals and priorities with regard to the impact on the community is the reduction of backlogs in infrastructure e.g. increased access to free basic services; increased community participation in the affairs of the municipality, customer care, job creation and poverty alleviation, increased economic growth, safe and healthy environment.

The District Municipality has made good progress in some of the above areas. However, despite these gains, specific service delivery challenges remain. Council is optimistic that the political arrangements allow for solid and stable leadership and the municipality's limited institutional structure has matured to allow for sustainable service delivery within the confines of the delegated powers and functions.

### **STRATEGIC OBJECTIVES**

The District Growth and Development Summit identify the long term development objectives and strategies to address the development challenges in the district. The District Integrated Development Plan aligns itself to these strategies and is confined to a 5-year implementation horizon. Thus to address the priority issues identified above the following strategic objectives were formulated.

#### ***KPA 1: Basic Service Delivery***

**Goal: To facilitate and support the eradication of backlogs in infrastructure and provide basic services.**

**Objective:**

- To facilitate and support the eradication of backlogs in infrastructure.
- To provide and facilitate basic services in the DMA.
- To support the maintenance of municipal infrastructure.
- To facilitate and support provision of housing.

#### ***KPA 2: Local Economic Development (LED)***

**Goal: To support and stimulate the creation of a growing economy improving the quality of life in the district community.**

**Objective:**

- To coordinate corporate social investment.

- To support and promote SMME development.
- To develop and investment and marketing strategy.
- To promote community economic development.
- To develop a Tourism Master Plan.

***KPA 3: Municipal Institutional Development and transformation***

**Goal: To implement an effective environmental management system by 2010**

**Objective:**

- To reduce pollution levels through identification and implementation of programmes by 2010.
- To develop an effective food monitoring programme by 2008.
- To evaluate and monitor non-food premises.
- To provide environmental health awareness.
- To facilitate awareness campaigns in the district.
- To monitor, evaluate and improve safe disposal of hazardous and general waste.
- To facilitate pauper burials.
- To monitor, review and implement Integrated Waste Management Plan (IWMP) and Integrated Environmental Management Plan (IEMP) in all municipalities.

**Goal: To build in-house capacity in Integrated Development Planning in local municipalities in the district**

**Objective:**

- To support the preparation and implementation of integrated development plans of the district and local municipality.
- To support MSIG capacity building programmes and projects.
- To facilitate the implementation of Sector Plans.

**Goal: To provide spatial planning services to municipalities in the district**

**Objective:**

- To prepare and review Spatial Development Frameworks of municipalities.
- To manage urban development in accordance with approved plans.
- To prepare and implement Township Establishment Plans.

**Goal: Implement and support PMS in the municipality**

**Objective:**

- To review and maintain the performance management system in the municipality.
- To support the implementation of PMS in B- municipalities.

**Goal: To support and facilitate the enhancement of services through the creation of a conducive environment for social development in the district**

**Objective:**

- To support the reduction of crime.
- To coordinate and facilitate the provision of government services.

**Goal: To ensure a safe and secure municipal environment**

**Objective:**

- To implement the disaster management policy.
- To implement integrated communication links with all disaster management role players.
- To coordinate fire fighting activities in the DMA.
- To coordinate the functions of the Health and Safety Committee activities.
- To coordinate security services.

**Objectives:**

- To conduct internal audit reviews according to the audit plan.
- To perform internal audit functions at category B municipalities.
- To provide an internal and external communication network.
- To develop corporate identity and image.
- Provision of an effective IT services to all users and stakeholders.
- To support and manage auxiliary services effectively and efficiently.
- Managing human resources and development units
- Provision of an effective and efficient human resources function.
- Compliance with the Employment Equity Act.
- Compliance with the Skills Development Act.
- Provision of administrative support to all committees of Council.



#### ***KPA 4: Good Governance and Public Participation***

**Goal:** To empower the organisation and community through participatory governance

**Objectives:**

- To manage the interface between the Mayoral Committee and Council so that the administration is aligned with the political priorities of Council.
- To establish a performance management system.
- To fully operationalise the district IDP Forum and Technical Committee.
- To develop all policies programs and plans.
- To improve public knowledge and understanding of how Council functions.
- To ensure that the approved budget is in line with the IDP.
- To manage and coordinate administrative activities of the entire Council.

#### ***KPA 5: Municipal Financial Viability and Management***

**Goal:** To ensure sustained financial viability for maximum development support

**Objectives:**

- To manage budget and treasury section.
- Sustained financial management.
- To managed the revenue section.
- To implement and maintain successful debt collection system in place.
- To manage supply chain management, salaries an expenditure units of FBDM.
- To manage the asset management section
- To ensure effective capacity building within the FBDM district.
- To establish a comprehensive customer care service in FBDM.

*Proper measurement of achievements in terms of strategic plans are currently lacking and needs to be further refined in order to be more output / outcome based driven.*

#### **PREVIOUS YEAR FINANCIAL PERFORMANCE (2007/08)**

Council has achieved a significant operating surplus to the amount of R2,95m before taking into account nett appropriations to the amount of R2,60m for the past financial year. The positive results are mainly due to high returns on invested cash reserves, unspent grant funding rolled over from previous financial year and spent during the financial year under review as well as savings on expenditure like salaries, contracted services, general expenses and repairs & maintenance.

The operating results for the year ended 30 June 2008 are as follows:

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Operating Income for the year	75,028,479	75,817,193	1.05%	65,556,855	-15.65%
Operating Expenditure for the year	(69,626,615)	(72,865,182)	4.65%	(84,185,665)	13.45%
<b><i>SURPLUS / (DEFICIT) FOR THE YEAR</i></b>	<b>5,401,864</b>	<b>2,952,011</b>		<b>(18,628,810)</b>	
Accumulated Surplus / (Deficit) at the beginning of the year	56,554,537	59,408,318			
Nett appropriations for the year	(2,548,083)	(2,605,360)	2.25%	18,630,988	113.98%
<b><i>Accumulated Surplus / (Deficit) at the end of the year</i></b>	<b>59,408,318</b>	<b>59,754,968</b>		<b>2,178</b>	

Council's performance, when compared to the budget, must be seen in the context of conservative budgeting practices influenced by other external factors such as the inability of some Category B Municipalities to implement grant & subsidy allocated projects.

Comments relating to budgeted income and expenditure as per National Treasury functional classifications are as follows:

***Executive and Council:***

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	1,075,664	893,000	-16.98%	893,000	-100.00%
Expenditure	10,873,161	11,819,022	8.70%	14,955,405	20.97%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b>(9,797,497)</b>	<b>(10,926,022)</b>	<b>11.52%</b>	<b>(14,062,405)</b>	<b>22.30%</b>

Executive and Council consists of Council activities, the office of the Municipal Manager, Internal Audit unit and Communications section and reflects a net deficit of R10,93m compared to the approved deficit of R14,06m. The expenditure for Executive & Council reflects under-expenditure to the amount of R3,14m which is mainly due to the following reasons:

- A number of positions with specific reference to the office of the Internal Audit Unit and Communication section has been budgeted for the full year whilst they have not been filled accordingly.
- Special projects in the office of the speaker reflects an under expenditure to the estimated amount of R195k compared to the approved budget.
- Councillor training reflects an under expenditure to the amount of R192k versus the approved budgeted amount of R200k.
- An amount of R750k has been budgeted for performance bonuses to all levels of employees but due to lack of an approved performance system with criteria to employees other than the section 57 managers a saving to the estimated amount of R530k realised for the year under review.
- General expenses such as consultancy and printing & stationary reflect an estimated under expenditure of R740k which also contributes to the saving on the vote of Council and Executive.

***Finance & Administration:***

<b><i>Revenue &amp; Expenditure</i></b>	<b><i>Actual 2007 R</i></b>	<b><i>Actual 2008 R</i></b>	<b><i>Variance 2007/08 %</i></b>	<b><i>Budget 2008 R</i></b>	<b><i>Variance Actual / Budget %</i></b>
Revenue	58,374,997	61,792,154	5.85%	58,273,770	-6.04%
Expenditure	11,250,553	13,061,585	16.10%	18,607,427	29.80%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>47,124,444</i></b>	<b><i>48,730,569</i></b>	<b><i>3.41%</i></b>	<b><i>39,666,343</i></b>	<b><i>-22.85%</i></b>

The vote of Finance & Administration reflects a positive deviation of R9,06m or 22,85% compared to the approved budget. The following factors mainly contributed to the positive variance:

***Revenue:***

Interest earned on external investments reflects a positive deviation of R2,78m compared to the approved amount of R6,25m. The significant deviation is mainly due to higher than planned levels of cash reserves throughout the year.

High cash reserve levels are attributed to increase of income and reserves as well as to delayed expenditure patterns.

***Expenditure:***

Expenditure reflects a saving to the amount of R5,56m or 29,80% compared to the approved budget for Finance and Administration. Main reasons for the under expenditure are:

- A number of new and approved vacant positions in the Department of Finance and Administration have been budgeted for the full year whilst they were not be filled accordingly.
- Due to a delay by Sol Plaatje municipality to provide authorisation to act as the “HUB” or hosting municipality with regard to the implementation of the new “e-Venus” financial system, the full amount of R4.5m as provided in the budget has not been spent before the year end. An estimated under spending of R3,4m reflects as a result of the mentioned reason.
- Consultancy with regard to the information technology section also contributed to the under spending under the vote finance and administration as the IT master plan to the estimated amount of R693k has not been completed before year end. The amount has been rolled over and the process will be finalised in the new financial year.

***Planning & Development:***

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	14,788,503	11,935,026	-19.30%	27,688,000	56.89%
Expenditure	44,085,850	43,872,072	-0.48%	43,704,750	-0.38%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>(29,297,347)</i></b>	<b><i>(31,937,046)</i></b>	<b><i>9.01%</i></b>	<b><i>(16,016,750)</i></b>	<b><i>-99.40%</i></b>

***Revenue:***

The negative deviation of 56,89% on revenue compared to the approved budget is mainly due to savings on other budget votes versus the actual expenditure as well as the fact that more revenue was generated, which resulted in the anticipated transfer from the accumulated surplus to fund specific infrastructure projects to the estimated amount of R28,60m not being utilised. The total value of grants and subsidies received has been adjusted to match the nature of the grant in question:

- Unconditional grants are fully reflected as revenue; while
- Conditional grants are reflected as revenue equivalent to the expenditure incurred in terms of the grant.

***Expenditure:***

The actual expenditure versus the approved budget for the vote Planning and Development only reflects an over expenditure of 0,38%. However except for the over expenditure on infrastructure projects to the amount of R3,81m, under spending occurred in respect of special projects in the Local Economic Development Unit to the amount of R1,41m versus the approved budget of R3,15.m. The Planning Unit also reflects an under expenditure to the amount of R884k in respect of special projects – MSIG, consultancy and professional fees for drafting of a property valuation roll for the district management area.

**Health:**

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	87,000	100,000	14.94%	87,000	-14.94%
Expenditure	1,236,390	1,348,618	9.08%	1,881,323	28.32%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>(1,149,390)</i></b>	<b><i>(1,248,618)</i></b>	<b><i>8.63%</i></b>	<b><i>(1,794,323)</i></b>	<b><i>30.41%</i></b>

The environmental health section reflects a total saving to the amount of R532k or 28,31% compared to the approved budget due to savings on the personnel budget and special projects to the amount of R161k not completed according to the approved service delivery and budget implementation plan.

**Community & Social Services:**

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	-	-	0.00%	-	0.00%
Expenditure	584,731	807,020	38.02%	1,042,305	22.57%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>(584,731)</i></b>	<b><i>(807,020)</i></b>	<b><i>38.02%</i></b>	<b><i>(1,042,305)</i></b>	<b><i>22.57%</i></b>

The under expenditure to the amount of R235k or 22,57% compared to the approved budget is mainly attributed to special community projects to the value of R198k not spent according to identified and pre-determined projects.

**Public Safety:**

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	689,958	645,389	-6.46%	823,000	21.58%
Expenditure	1,559,113	1,555,656	-0.22%	2,592,540	39.99%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>(869,155)</i></b>	<b><i>(910,267)</i></b>	<b><i>4.73%</i></b>	<b><i>(1,769,540)</i></b>	<b><i>48.56%</i></b>

Fire Fighting and Disaster Management section reflects an under expenditure to the amount of R1,03m compared to the approved budget.

The main reason for the variation is due to savings on the personnel budget to the amount of R196k, maintenance of emergency equipment to the amount of R118k as well as under spending on the Fire Fighting and Disaster Management grant for special projects to the total value of R466k versus the approved budget of R588k.

***Water Services – Koopmansfontein:***

<b><i>Revenue &amp; Expenditure</i></b>	<b><i>Actual 2007 R</i></b>	<b><i>Actual 2008 R</i></b>	<b><i>Variance 2007/08 %</i></b>	<b><i>Budget 2008 R</i></b>	<b><i>Variance Actual / Budget %</i></b>
Revenue	12,357	20,880	68.97%	99,470	79.01%
Expenditure	36,817	20,877	-43.30%	67,850	69.23%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>-24,460</i></b>	<b><i>3</i></b>	<b><i>-100%</i></b>	<b><i>31,620</i></b>	<b><i>100%</i></b>

The budget in respect of revenue and expenditure for Koopmansfontein water services were not realistically and the deviation with regard to the actual revenue and expenditure compared to the approved budget is not regarded as significant.

An estimate of 90% of the 37 households in Koopmansfontein are indigent. The tariff determined for water consumption is not sufficient to cover the full operating cost to render the service and therefore any loss will be funded as a contribution from the equitable share allocation.

***Electricity Service – Koopmansfontein:***

<b><i>Revenue &amp; Expenditure</i></b>	<b><i>Actual 2007 R</i></b>	<b><i>Actual 2008 R</i></b>	<b><i>Variance 2007/08 %</i></b>	<b><i>Budget 2008 R</i></b>	<b><i>Variance Actual / Budget %</i></b>
Revenue	-	9,970	0.00%	35,420	71.85%
Expenditure	-	9,967	0.00%	49,420	79.83%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b><i>-</i></b>	<b><i>3</i></b>	<b><i>0.00%</i></b>	<b><i>-14,000</i></b>	<b><i>100%</i></b>

The budget in respect of free basic services for electricity at Koopmansfontein was not realistically and the deviation of actual expenditure compared to the approved budget is not regarded as significant.

An electricity pre-paid system is used and Eskom is the service provider with the district municipality responsible to fund the 50 kWh free basic service (*if registered as an indigent*) as a contribution from the equitable share allocation.

## Housing

<i>Revenue &amp; Expenditure</i>	<i>Actual 2007 R</i>	<i>Actual 2008 R</i>	<i>Variance 2007/08 %</i>	<i>Budget 2008 R</i>	<i>Variance Actual / Budget %</i>
Revenue	-	420,774	0.00%	1,057,815	60.22%
Expenditure	-	370,364	0.00%	1,057,815	64.99%
<b><i>SURPLUS / (DEFICIT)</i></b>	<b>-</b>	<b>50,410</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>

In compliance with the provisions of Section 10(1), 2(a) and 3(a) of the Housing Act 1997, Frances Baard District Municipality (*as a pilot project from National Government*) has applied to the MEC to be accredited for the purpose of administering national housing programme. The municipality's immediate tasks are to establish a properly functioning housing unit; to establish and maintain mutual relationship with Sector Departments; and to manage the housing delivery in the district. A housing unit has been established in December 2007 as part of the project objectives to receive full accreditation to perform the housing function.

### PROJECTED FINANCIAL PERFORMANCE 2008/09

The nett projected operating result in respect of the 2008/09 financial year reflects an estimated surplus to the amount of R14,35m versus the approved budget. Below follows a detailed projection of revenue by source and expenditure per vote as well as variances reflecting in rand value and / or percentage:

#### Projected Operating Results:

<b>Revenue &amp; Expenditure per classification</b>	<b>YTD Actual April 2009</b>	<b>Estimated Projection: 2008/09</b>	<b>Approved Budget 2008/09</b>	<b>Projected Variance R</b>	<b>Projected Variance %</b>
<b><u>REVENUE BY SOURCE:</u></b>					
Service charges - Water Revenue from tariff billings	12,899	15,479	17,000	-1,521	-8.95%
Interest Earned - External Investments	7,104,846	8,525,815	7,780,000	745,815	9.59%
Other	296,375	296,375	220,000	76,375	34.72%
Rental of Facilities & Equipment	28,088	33,706	36,000	-2,294	-6.37%
Income for Agency Services	588,614	706,337	715,000	-8,663	-1.21%
Government Grants & Subsidies	65,770,485	73,909,515	73,909,515	-	0.00%
Transfers From Reserves	-	15,256,340	15,356,340	-100,000	-0.65%
Gain on disposal of property plant and equipment	-	-	-	-	0.00%
<b><i>Total Revenue:</i></b>	<b>73,801,306</b>	<b>98,743,567</b>	<b>98,033,855</b>	<b>709,712</b>	<b>0.96%</b>

Revenue & Expenditure per classification	YTD Actual April 2009	Estimated Projection: 2008/09	Approved Budget 2008/09	Projected Variance R	Projected Variance %
<b><u>EXPENDITURE PER VOTE:</u></b>					
Executive and Council	10,709,779	14,006,605	18,334,320	-4,327,715	-23.60%
Finance & Administration	13,687,067	19,351,823	22,126,925	-2,775,102	-12.54%
Planning & Development	24,579,133	35,685,183	41,778,262	-6,093,079	-14.58%
Health	1,141,376	1,346,666	1,657,670	-311,004	-18.76%
Community & Social Services	696,503	835,805	881,750	-45,945	-5.21%
Public Safety	1,311,442	1,827,320	2,155,815	-328,495	-15.24%
Water & Elec. Services: Koopmansfontein	36,542	43,850	64,915	-21,065	-32.45%
Housing	936,414	1,123,697	1,858,990	-735,293	-39.55%
<b>Total Expenditure:</b>	<b>53,098,256</b>	<b>74,220,949</b>	<b>88,858,647</b>	<b>-14,637,698</b>	<b>-16.47%</b>
Transfer to Capital Replacement Reserve	-	10,166,160	10,469,380	-303,220	-2.90%
Prior year Revenue & Expenditure	4,488		-	-	100.00%
<b>NETT OPERATING RESULT:- SURPLUS / (DEFICIT)</b>	<b>20,698,561</b>	<b>14,356,458</b>	<b>-1,294,172</b>	<b>15,650,630</b>	

Explanation regarding any significant projected positive or negative variances more than 10% versus the approved budget:

**REVENUE:**

The total anticipated revenue to be collected for the 2008/09 financial year reflects no significant variances compared to the approved adjusted budget.

**EXPENDITURE PER VOTE:**

**Executive and Council:**

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following deviations:

- Expenditure of Council and Executive were less than the budget by 22% primarily in the areas of consultancy, councilor training and operational expenditure budgeted for the establishment of the youth unit.
- An amount of R750k has been budgeted for performance bonuses to all level employees. Due to lack of an approved performance system with criteria to employees other than the section 57 managers a saving to the estimated amount of R450k will realize for the year under review.



**Remedy:** Reflected variances has been reviewed as part of the mid-year budget report and adjusted accordingly where practically implementable.

***Finance & Administration:***

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following explanation which mainly contributed to the under expenditure as reflected:

- A number of new and approved vacant positions in the Department of Finance and Administration has been budgeted for the full year whilst they will not be filled accordingly.

**Remedy:** Reflected variances from previous month reports have been reviewed and adjusted during the mid-year budget report assessment.

***Planning & Development:***

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following explanation which mainly contributed to the under expenditure as reflected:

- The position of Senior Town and Regional Planner has been filled in January 2009 whilst it has been budgeted for the full year.
- The preparation of the valuation roll for Magareng was completed but payment has been delayed pending the outcome of an investigation to possible irregularities in the process. It is unlikely that the funds will be paid out at the end of June 2009.
- It is unlikely that the budgeted amount for LED & Tourism projects will be spent due to over budgeting for projects.
- Funds allocated to category B municipalities are likely to be spent with exception of the following projects to the total amount of R1,7m that will be rolled over to the next financial year. (Water & sanitation for 1 400 sites – Pampierstad R700k and Provision of water & sanitation to 200 houses in Ikgakgeng R1m)
- Actual expenditure on special projects versus the approved budget is currently unspent: The expenditure is likely to increase as the financial year progresses.
  - LED & Tourism                      77%
  - Planning Unit                        28%
  - Project Management                40%

***Health:***

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following explanation which mainly contributed to the under expenditure as reflected:

The only major deviation contributing to the under expenditure was the vacant position of the Environmental Health Officer budgeted for the full year, but was only filled in September 2008. Actual expenditure on special projects versus the approved budget is currently 10% unspent.

***Community & Social Services:***

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following explanation which mainly contributed to the under expenditure as reflected:

***Public Safety:***

Anticipated expenditure projected per approved business plans and budget for the financial year under review, except for the following explanation which mainly contributed to the under expenditure as reflected:

- Vacant positions of two (2) Control Room Operators budgeted for the full year whilst they will not be filled accordingly.
- Actual expenditure on special projects versus the approved budget is currently 60% unspent. A number of projects have already being committed and will be completed before end of the financial year.

**Projected Capital Expenditure Results:**

A detailed projection of capital expenditure per vote as well as variances reflected in rand value and / or percentage follows below:

Capital Expenditure per vote	YTD Actual April 2009	Estimated Projection: 2008/09	Approved Budget 2008/09	Projected Variance R	Projected Variance %
<b><u>CAPITAL EXPENDITURE PER VOTE:</u></b>					
Executive and Council	1,936,327	1,936,327	2,104,260	-167,933	-7.98%
Finance & Administration	442,028	742,725	804,000	-61,275	-7.62%
Planning & Development	15,222,179	20,276,380	26,471,380	-6,195,000	-23.40%
Housing	-	27,000	282,000	-255,000	0.00%
Community & Social Services	-	4,500	4,500	-	0.00%
Public Safety	14,775	295,720	232,570	63,150	27.15%
Water Services: Koopmansfontein	-	-	-	-	0.00%
<b>Total Capital Expenditure:</b>	<b>17,615,309</b>	<b>23,282,652</b>	<b>29,898,710</b>	<b>-6,616,058</b>	<b>-22.13%</b>

An estimated amount of R6,2m is likely to be rolled over to the next financial in respect of the new Council Chamber and Offices for completion by the end of August 2009.

## **BUDGET 2009/10**

### ***1. INFLUENCING FACTORS***

In determining the objectives and the needs of the Council it is necessary to recognise the realities which impact on the organisation. A number of factors influence Council's capacity to address all the developmental needs in the district, while trying to achieve its internal objectives. Both national guidelines and local imperatives need to be balanced with the overall development functions to enable Council to achieve satisfactory results.

#### ***(a) National Treasury***

The guideline growth rates(*based on CPI inflation forecasts*) used for the 2009/10, 2010/11 and 2011/12 budget years are 5,4 percent, 5,1 percent and 4,6 percent respectively. The assumption made was based on the guidelines provided by National Treasury any increases beyond 6 percent margin must be motivated based on available reserves and / or assured revenues.

#### ***(b) Local Economy***

The domestic growth is projected to slow to 1,2 percent in 2009 from an estimated 3,1 percent in 2008 financial fiscal year. The period of slower growth ahead is likely to be characterised by rising unemployment, decline in business profitability and closure of some companies. Policy responses to the crisis will reduce the impact on poor and marginalised communities although it will be difficult for some time due to economic conditions.

Slowing economic growth has put pressure on government revenues and reduced the fiscal space for increased expenditure. However government manage through its record of sound fiscal management and prudent policy choices to increase spending on social services and fixed investment over the medium period in order to protect the poor from the worst impact of the economy downturn.

#### ***(c) Regional Service Council Levies***

The 2009 Budget Speech announced that part of the revenues from general fuel levy will be earmarked for the metropolitan municipalities as an appropriate primary replacement for the former RSC Levies from the 2009/10 budget year. The 2008 Medium-Term Budget Policy has indicated that the sharing of the general fuel levy with metropolitan municipalities will be phased-in from 2009 budget.

The general fuel levy with metros will be treated as unconditional to enhance fiscal autonomy, however municipalities should attempt to direct these resources similar to that of the former RSC levies towards basic services and infrastructure development in under-serviced communities, specifically to roads transport infrastructure given the link between fuel sale and road usage.

To facilitate a smooth transition from the RSC levy replacement grant system to the sharing of the general fuel levy system and to prevent any possible shocks to the municipal revenues, implementation will be phased-in over the three-year period beginning with the current MTEF for full implementation in 2012/13.

#### ***(d) Housing Accreditation***

The District Municipality has signed a service level agreement during the 2006/07 financial year with the Department of Housing and Local Government to start the accreditation process in order to perform the housing function in the District with the focus on the three smaller Category B Municipalities – Dikgatlong, Phokwane and Magareng on behalf of the Department. The devolution of the housing function to the District Municipality will take place according to Section 79 of the Municipal Systems Act, 2000 whereby sufficient human, financial and other resources will be allocated for the proper provision of the service.

## **2. *DEFINED ACTIVITIES PER VOTE***

Council adopted a new organogram during the 2006/07 financial year which comprises a number of activities grouped within the existing structure and operating mechanisms. The new organogram together any amendments to it, recognizes that there are differences between the structure and the functional grouping of activity costs for National Treasury's purposes. For the purpose of standardization and consistency the budget is prepared according to the GFS Function classification recommended by National Treasury. The activity costing per defined vote follows below:

- **Executive & Council**

*Council & Executive / Municipal Manager / Internal Audit / Communications / Committee Services & Administration*

- **Finance & Administration**

*Financial Management - Directorate / Revenue & Expenditure Administration / Budget & Treasury Office / Supply Chain Management / Information Systems / Human Resources Management / Office Support Services*

- **Planning & Development**

*Directorate of Technical Services / Directorate Planning & Development / Infrastructure Development / Planning Unit / Local Economic Development & Tourism Promotion*

- **Housing**  
*Housing*
- **Health**  
*Environmental Health*
- **Community & Social Services**  
*Community Development*
- **Public Safety**  
*Firefighting & Disaster Management*
- **Water & Electricity**  
*Water & Electricity Distribution – Koopmansfontein*

### **3. REVENUE**

*Total revenue reflects an increase of 14,47% compared to the previous financial year and is largely due to transfers from reserves allocated from the unappropriated surplus / deficit account to fund infrastructure projects in the district.*

The abolishment of RSC Levies did not affect the total revenue of the District Municipality as the loss of income is secured through the equitable share grant for at least the next three years. However the impact of such decision severely affects the District Municipality's sustainability in the long term as it will be largely dependent on grant funding without the capability to generate own revenue. National Treasury embarked on a process to replace the RSC levy system with the general fuel levy system by starting with metros as from the 2009/10 financial year and with the likelihood to be rolled out to other district municipalities in the near future. The dependency on grant funding remains on 89,69% compared to 92,17% in respect of the previous budget year.

*(Schedule 2 and Chart 1 of the budget document refers)*

### **4. EXPENDITURE**

*The total operating expenditure budget increased by 16,56% compared to the previous year budget. The main reason for the increase is the additional grant funding as well as contribution from reserves to fund infrastructure and other social projects identified within the district in accordance with the needs of communities. An explanation of expenditure budget per operating expenditure type follows below:*

*(Schedule 3 & 4 and Chart 2 & 3 of the budget document refer)*

The main cost drivers on the operating expenditure budget are:

### **(a) Salaries & Allowances**

Budget according to the approved organisational structure and prescriptive scales of remuneration, as well as other obligations imposed on the employer, determine Council's manpower and benefits cost for the year. A total of R1,25m of external grant funding is applied to the budgeted salary costs.

- Councillor remuneration is budgeted according to the remuneration of public office bearers act and is budgeted at full cost, as well as additional cost for the implementation of a possible full-time Mayoral Committee.
- Post-service benefits increase due to increased numbers of beneficiaries and scale contributions to the relevant provident funds.
- Organisational expenses increase by 14,99% compared to the previous budget year due to the additional positions approved and normal salary increments of 12%. All vacant posts are budgeted for the full year.

### **(b) Depreciation**

Assets are depreciated in accordance with GAMAP / GRAP guidelines per asset type and calculated on cost, using the straight line method over the estimated useful live of assets. The depreciation rates budgeted are based on the following estimated asset lives:

- |                         |          |        |
|-------------------------|----------|--------|
| • Ground & Buildings    | 30 years | 3,33%  |
| • Furniture & Fittings  | 10 years | 10,00% |
| • Computer Equipment    | 3 years  | 33,00% |
| • Other moveable assets | 5 years  | 20,00% |

Depreciation increases by ±R1,46m or 103,64% due to the impact of the new council chamber and offices to an estimated value in excess of R30m.

### **(c) Repairs & Maintenance**

General maintenance costs cover asset maintenance and support contracts for systems and equipment maintenance and related services. The increase of R0,28m or 14,99% is based on all known obligations and maintenance needs, including costs due to the upgrade of the network system in the previous budget year and maintenance cost for the newly developed Website.

***(d) Capital Charges***

Interest is based on the approved external loan to finance the construction of Council Chamber and Offices to the estimated amount of R15m.

***(e) Grants & Subsidies***

Allocation of funding for infrastructure and social projects increase by R12,12m or 29,94% to address specific needs identified per Category B Municipalities' integrated development plans.

**5. CAPITAL EXPENDITURE**

Capital expenditure needs, defined by the various operating units, are detailed on the capital expenditure summary. Items include computer equipment, furniture and fittings, office equipment, radios, machinery and motor vehicles.

The capital expenditure per asset type is given below:

• <b><i>Other Assets:-</i></b>	Motor Vehicles	R 680,000
	Furniture & Fittings	R 381,500
	Computer Equipment	R 498,600
	Plant & Equipment	R 245,700
	Office Equipment	R 96,700
	Land & Buildings	<u>R 6,758,000</u>
	<b><i>Total:</i></b>	<b><u>R 8,660,500</u></b>

*(Schedule 5 & 6, Chart 4 & 5 and Table 2 of the budget document refer)*

**9. SERVICE DELIVERY AND PROPOSED TARIFFS**

Although Council adopted a tariff policy, not all tariffs will be implemented with effect from July 2009 but will be phased in over the coming year as and when services are introduced with specific reference to sanitation and refuse removal at Koopmansfontein in the district management area as well as possible tariffs for the rental of district municipality's facilities.

Only the following proposed tariffs will be implemented with effect from 1 July 2009:

**Sundry Charges:**

***Finance & Administration:-***

- |   |  |
|---|--|
| • Photostat Fees                                    | R0-75 per copy / Photostat   |
| • Clearance Certificates                            | R15-00 per clearance certificate application                           |
| • Tender Documents – Bids from R200,000 to R500,000 | R100-00 non-refundable deposit (Under discretion of Municipal Manager) |
| – Bids from R500,001 and more                       | R200-00 non-refundable deposit (Under discretion of Municipal Manager) |

***Planning and Development:-***

- |   |  |
|---|--|
| • Application fee for rezoning            | (Still to be determine by Council – 2009/10) |
| • Cemetery – Grave Fees (Koopmansfontein) | R50-00 per grave                             |

**Koopmansfontein Services:-** An estimate of 90% of the 37 households staying in Koopmansfontein are indigent. The tariff proposed for water consumption will not be sufficient to cover the full operating cost to render the service and therefore an amount of R36k has been budgeted from the equitable share to cover for the estimated lost in this regard. The proposed tariffs applicable for Koopmansfontein remain unchanged for the coming financial year and are as follows:

**Water Service**

- Water Consumption
  - 0Kl – 6Kl Free of charge (If registered as indigent)
  - 7Kl – More Actual cost plus 5% surcharge (VAT excluded)
- Interest on arrears: Not applicable



### **Electricity Service**

- Electricity Consumption (Pre-Paid System)  
0Kwh – 50Kwh      Free of charged (If registered as indigent)  
50Kwh – More      Outsourced - Eskom
- Interest on arrears:      Not applicable

### **Refuse Removal**

Not applicable as the service will only be implemented during the course of the 2009/10 financial year

### **Property Rates Tax in District Management Area**

Following the Property Rates Tariffs applicable in the district management area in respect of the various categories determine per approved Property Rates Policy of council for implementation from 1<sup>st</sup> July 2009:

#### ***Ratable Tariffs:***

Agriculture Residential (Small Holdings)	.0009 cents in the rand
Agriculture Business	.0009 cents in the rand
Agriculture Farms	.0009 cents in the rand
State / Public Schools	.0009 cents in the rand
Residential / Municipal Residential	.0036 cents in the rand
Residential Business Registered	.0036 cents in the rand
Business	.0036 cents in the rand
Mining	.0036 cents in the rand

Interest on arrears:      Will be charged as per approved Property Rates Policy.

#### ***Section 21 of the Property Rates Act requires a 4 year phasing-in on all new ratable property:***

Discount on ratable tariffs (2009/10)	75%
Discount on ratable tariffs (2010/11)	50%
Discount on ratable tariffs (2011/12)	25%

The first R15,000 of the market value of the property will be exempted.

## 10. POLICY REVIEWS

In accordance with the MFMA the mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible. Therefore all budget related policies have been reviewed during the course of the financial year and any amendments if necessary will be implemented as an ongoing process during the 2009/10 budget year. The following policies have been classified as budget related:

- ***Asset management Policy***  
*Approved on 13 September 2005 – Amendments as an ongoing procedure as and if required*
- ***Debt and Credit Control Policy***  
*Approved on 25 May 2005 – Amendments as an ongoing procedure as and if required*
- ***Indigent Policy***  
*Approved on 25 May 2005 – Amendments as an ongoing procedure as and if required*
- ***Tariff Policy***  
*Approved on 27 May 2009 – Amendments as an ongoing procedure as and if required*
- ***Investment Policy***  
*Approved on 25 May 2005 – Amendments as an ongoing procedure as and if required*
- ***Supply Chain Management Policy***  
*Approved on 27 November 2007 – Amendments as an ongoing procedure as and if required*
- ***Property Rates Policy***  
*Approved on 27 May 2009 – Amendments as an ongoing procedure as and if required*

## 11. SERVICES DELIVERY AND BUDGET IMPLEMENTATION PLAN

This document will be finalised within the prescribed timeframe for submission to the Executive Mayor and Council for notification.

# ***BUDGET SHEDULES***

**FRANCES BAARD DISTRICT MUNICIPALITY**
**MULTI-YEAR BUDGET**
**SCHEDULE 1: EXECUTIVE SUMMARY REVENUE & EXPENDITURE**

	Actual 2007/08	Budget 2008/09	Budget 2009/10	Budget 2010/11	Budget 2011/12
<b>CURRENT &amp; PROJECTED BUDGETS</b>					

<b>GROWTH RATE NORMS [NT / Internal]</b>			5.4%	5.1%	4.6%
<b>AGGREGATE GROWTH RATE</b>		10%	18%	-5%	7%

<b>REVENUE &amp; FUNDING SOURCES</b>	<b>75,817,260</b>	<b>83,411,800</b>	<b>98,523,970</b>	<b>93,270,370</b>	<b>100,216,330</b>
Property Rates	-	-	192,370	377,370	562,370
Service charges	11,687	29,500	14,000	15,000	16,000
Rental of facilities and equipment	59,358	36,000	36,000	36,000	36,000
Interest earned - external investments	9,033,937	7,780,000	7,780,000	3,780,000	4,280,000
Interest earned - outstanding debtors	550	-	-	-	-
Income for agency services	667,264	715,000	715,000	750,000	780,000
Government grants and subsidies	65,258,339	74,631,300	88,941,060	87,466,180	93,722,840
Other income	770,772	220,000	725,540	755,820	819,120
Gains on disposal of property, plant and equipment	15,352	-	120,000	90,000	-

<b>OPERATING EXPENDITURE</b>	<b>72,896,587</b>	<b>89,431,327</b>	<b>107,991,830</b>	<b>93,190,950</b>	<b>100,212,775</b>
Employee related costs	20,039,638	25,363,305	29,165,840	30,713,680	32,248,750
Remuneration of Councilors	3,560,852	3,949,350	4,344,290	4,561,520	4,789,600
Bad debts	15,114	5,000	2,000	2,000	2,000
Collection costs	218,814	-	-	-	-
Depreciation	1,311,004	1,414,115	2,879,720	2,723,770	2,474,760
Repairs and maintenance	774,151	1,871,575	2,152,170	1,924,160	2,068,800
Interest paid	-	1,162,500	1,652,600	1,544,660	1,427,760
Bulk purchases	13,570	17,000	18,580	21,230	24,030
Contracted services	3,140,234	6,543,710	4,000,430	3,396,620	2,946,520
Grants and subsidies paid	38,942,807	40,491,395	56,354,560	40,140,510	45,808,315
General expenses	4,874,799	8,613,377	7,421,640	8,162,800	8,422,240
Loss on disposal of property, plant and equipment	5,603	-	-	-	-

Operating Result before Appropriations	2,920,673	-6,019,527	-9,467,860	79,420	3,555
Contribution from Capital Replacement Reserve			8,594,500		
Appropriation of surplus cash		16,181,000	9,105,000		
Estimated Funds Available for Appropriation	2,920,673	10,161,474	8,231,640	79,420	3,555

<b>APPROPRIATIONS</b>	<b>-516,553</b>	<b>10,166,160</b>	<b>8,229,280</b>	<b>59,880</b>	<b>-19,540</b>
Transfer from Revaluation Reserve	(231,222)	(231,220)	(231,220)	(231,220)	(231,220)
Transfer from Government Grant Reserve	(285,332)	(72,000)	(200,000)	(72,000)	(72,000)
Transfer to Capital Replacement Reserve		10,469,380	8,660,500	363,100	283,680

<b>NETT BUDGET RESULT</b>	<b>3,437,226</b>	<b>-4,687</b>	<b>2,360</b>	<b>19,540</b>	<b>23,095</b>
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# FRANCES BAARD DISTRICT MUNICIPALITY

## SCHEDULE 2: OPERATING REVENUE BY SOURCE

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11
					Budget R	Budget R
<u>Operating Revenue by Source</u>						
Property Rates	-	-	-	-	192,370	377,370
Service charges - water revenue from tariff billings	11,687	29,500	17,000	17,000	14,000	15,000
Interest earned - external investments	9,033,937	7,780,000	7,780,000	7,780,000	7,780,000	3,780,000
Interest earned - outstanding debtors	550					-
Other	770,772	220,000	220,000	220,000	725,540	755,820
Rental of facilities and equipment	59,358	36,000	36,000	36,000	36,000	36,000
Income for agency services	667,264	715,000	715,000	715,000	715,000	750,000
Government grants & subsidies	65,258,339	74,631,300	73,909,515	73,909,515	88,941,060	87,466,180
Transfers From Reserves	-	16,484,220	15,356,340	15,356,340	9,536,220	303,220
Gain on disposal of property plant and equipment	15,352	-	-	-	120,000	90,000
<b>Total Revenue By Source</b>	<b>75,817,260</b>	<b>99,896,020</b>	<b>98,033,855</b>	<b>98,033,855</b>	<b>108,060,190</b>	<b>93,573,590</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

## SCHEDULE 3: OPERATING EXPENDITURE BY VOTE

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11
					Budget R	Budget R
<b>Executive &amp; Council</b>	<b>11,819,022</b>	<b>16,990,580</b>	<b>18,334,320</b>	<b>13,828,541</b>	<b>20,430,470</b>	<b>18,488,990</b>
Council	7,721,150	8,926,745	10,071,345	7,815,759	9,144,180	9,774,410
Municipal Manager	1,043,505	1,033,400	1,033,400	999,423	4,716,010	1,273,860
Committee Services & Administration	1,446,740	2,295,725	2,513,225	1,592,477	2,685,080	2,900,500
Internal Audit	544,011	2,535,065	2,535,065	1,239,598	1,921,270	3,160,340
Communications	1,063,615	2,199,645	2,181,285	2,181,285	1,963,930	1,379,880
<b>Finance &amp; Admin</b>	<b>13,621,347</b>	<b>23,234,045</b>	<b>22,126,925</b>	<b>18,327,500</b>	<b>26,272,360</b>	<b>22,100,180</b>
Directorate	2,665,639	7,838,460	6,825,550	6,366,691	7,871,410	3,788,360
Finance: Revenue & Expenditure	1,463,629	1,424,190	1,419,980	1,260,013	1,492,780	1,573,010
Finance: Budget & Treasury Office	1,739,038	2,115,645	2,115,645	2,090,101	2,691,890	2,562,600
Finance: Supply Chain Management	674,710	872,540	872,540	927,208	1,528,720	1,603,570
Finance: Motor Vehicle Pool	779,314	765,910	765,910	675,446	756,220	743,690
Information Systems	1,526,075	3,831,720	3,741,720	2,042,696	2,891,570	2,583,060
Human Resource Management	1,851,238	2,783,975	2,783,975	2,185,873	2,863,360	3,004,170
Office support Services	2,921,704	3,601,605	3,601,605	2,779,473	5,129,480	5,242,800
Director: Administration	-	-	-	-	1,046,930	998,920
<b>Planning &amp; Development</b>	<b>43,872,072</b>	<b>42,955,867</b>	<b>41,778,262</b>	<b>38,911,663</b>	<b>54,546,830</b>	<b>46,580,780</b>
Directorate: Planning	833,816	836,970	836,970	766,663	1,007,110	1,062,150
Planning Unit	2,810,845	5,191,807	4,787,807	4,342,500		
Directorate: Infrastructure Development	1,277,475	1,478,140	1,274,140	1,387,205	1,545,030	1,437,940
Project Management Services	35,702,307	29,097,880	28,574,580	29,731,162	41,343,930	34,121,190
Maintenance of Roads	-	-	-	-	505,540	525,820
IDP / PMS Management	-	-	-	-	3,399,240	2,154,720
LED & Tourism	3,247,629	6,351,070	6,304,765	2,684,133	5,128,500	5,699,940
GIS	-	-	-	-	651,730	636,170
Spatial Planning	-	-	-	-	965,750	942,850
<b>Health</b>	<b>1,348,618</b>	<b>1,764,235</b>	<b>1,657,670</b>	<b>1,303,338</b>	<b>2,122,160</b>	<b>1,682,280</b>
Environmental Health	1,348,618	1,764,235	1,657,670	1,303,338	2,122,160	1,682,280
<b>Housing</b>	<b>370,364</b>	<b>2,580,775</b>	<b>1,858,990</b>	<b>1,220,033</b>	<b>1,775,060</b>	<b>1,664,180</b>
Housing	370,364	2,580,775	1,858,990	1,220,033	1,775,060	1,664,180
<b>Community &amp; Social Services</b>	<b>807,020</b>	<b>581,750</b>	<b>881,750</b>	<b>512,786</b>	<b>569,980</b>	<b>674,270</b>
Community Development	807,020	581,750	881,750	512,786	569,980	674,270

# FRANCES BAARD DISTRICT MUNICIPALITY

## SCHEDULE 3: OPERATING EXPENDITURE BY VOTE

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11
					Budget R	Budget R
<b>Public Safety</b>	<b>1,555,656</b>	<b>2,189,560</b>	<b>2,155,815</b>	<b>2,155,815</b>	<b>2,934,280</b>	<b>2,703,470</b>
Firefighting & Disaster Management NEAR Control Centre	1,555,656	2,189,560	2,155,815	2,155,815	2,934,280	2,703,470
<b>Water</b>	<b>30,844</b>	<b>47,965</b>	<b>51,715</b>	<b>51,715</b>	<b>41,370</b>	<b>46,400</b>
Water Services: Koopmansfontein	30,844	47,965	51,715	51,715	41,370	46,400
<b>Refuse Removal: Koopmansfontein</b>	<b>-</b>	<b>12,470</b>	<b>-</b>	<b>-</b>	<b>12,470</b>	<b>12,470</b>
Refuse Removal: Koopmansfontein	-	12,470	-	-	12,470	12,470
<b>Sanitation: Koopmansfontein</b>	<b>-</b>	<b>11,510</b>	<b>-</b>	<b>-</b>	<b>11,510</b>	<b>11,510</b>
Sanitation Services: Koopmansfontein	-	11,510	-	-	11,510	11,510
<b>Electricity</b>	<b>-</b>	<b>13,200</b>	<b>13,200</b>	<b>13,200</b>	<b>12,780</b>	<b>15,980</b>
Electricity Services: Koopmansfontein	-	13,200	13,200	13,200	12,780	15,980
<b>OPERATING EXPENDITURE BY VOTE</b>	<b>73,424,944</b>	<b>90,381,957</b>	<b>88,858,647</b>	<b>76,324,591</b>	<b>108,729,270</b>	<b>93,980,510</b>
<b>Departmental Charges</b>	<b>-528,357</b>	<b>(955,630)</b>	<b>-955,630</b>	<b>(955,630)</b>	<b>(737,440)</b>	<b>(789,560)</b>
Motor Vehicle Usage	(528,357)	(955,630)	-955,630	(955,630)	(737,440)	(789,560)
<b>TOTAL OPERATING EXPENDITURE BY VOTE</b>	<b>72,896,587</b>	<b>89,426,327</b>	<b>87,903,017</b>	<b>75,368,961</b>	<b>107,991,830</b>	<b>93,190,950</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

## SCHEDULE 4: OPERATING EXPENDITURE BY TYPE

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11
					Budget R	Budget R
<u>Operating Expenditure by Type</u>						
Employee related costs	19,819,997	25,363,305	25,363,305	21,655,712	29,165,840	30,713,680
Remuneration of Councillors	3,560,852	3,949,350	3,949,350	3,882,534	4,344,290	4,561,520
Collection costs	218,814	-	-	-	-	-
Depreciation	1,311,004	1,414,115	1,414,115	1,532,378	2,879,720	2,723,770
Repairs and maintenance	1,129,200	1,533,070	1,516,330	1,274,427	2,152,170	1,924,160
Interest paid: External borrowings	-	1,162,500	869,590	869,590	1,652,600	1,544,660
Bulk purchases - Water	13,570	17,000	23,000	21,479	18,580	21,230
Contracted services	3,140,234	7,021,610	7,366,610	3,632,673	4,000,430	3,396,620
Grants and subsidies paid	38,942,807	40,491,395	39,815,465	37,175,104	56,354,560	40,140,510
Advertising	549,837	869,780	748,530	734,740	817,800	856,910
Bank charges	41,924	51,180	51,180	53,227	57,000	59,850
Telephone cost & postage	410,449	503,615	480,805	418,562	475,140	507,500
Insurance	265,538	209,675	324,275	335,668	385,480	404,680
Seminar / Conferences	156,172	444,265	380,390	159,952	341,410	352,000
Travel and Accommodation	892,491	1,409,975	1,363,660	1,200,275	1,315,020	1,493,760
Affiliation Fees	110,244	132,500	127,500	126,694	137,490	144,460
Printing & Stationary	388,052	1,101,527	776,367	567,378	866,830	1,170,850
Pool vehicle: Admin Levy	-	10,000	10,000	-	-	-
Fuel	-	270,000	270,000	-	-	-
Motor Vehicle License Fees	-	4,355	4,355	-	-	-
Motor Vehicle Operating Cost	-	64,150	18,825	-	-	-
Training Cost	702,205	1,122,500	850,800	232,495	847,340	916,000
Property Management	442,583	542,520	542,520	592,051	835,560	884,830
Other	792,878	1,732,940	1,631,045	903,022	1,342,570	1,371,960
Bad debts written off	15,114	5,000	5,000	1,000	2,000	2,000
Loss: Sale of Assets	5,603	-	-	-	-	-
	-	-	-	-	-	-
<b>Operating Expenditure By Type</b>	<b>72,909,568</b>	<b>89,426,327</b>	<b>87,903,017</b>	<b>75,368,961</b>	<b>107,991,830</b>	<b>93,190,950</b>
<b>Departmental Charges</b>						
Motor Vehicle Usage	-12,982				-	-
<b>Total Operating Expenditure By Type</b>	<b>72,896,587</b>	<b>89,426,327</b>	<b>87,903,017</b>	<b>75,368,961</b>	<b>107,991,830</b>	<b>93,190,950</b>



# FRANCES BAARD DISTRICT MUNICIPALITY

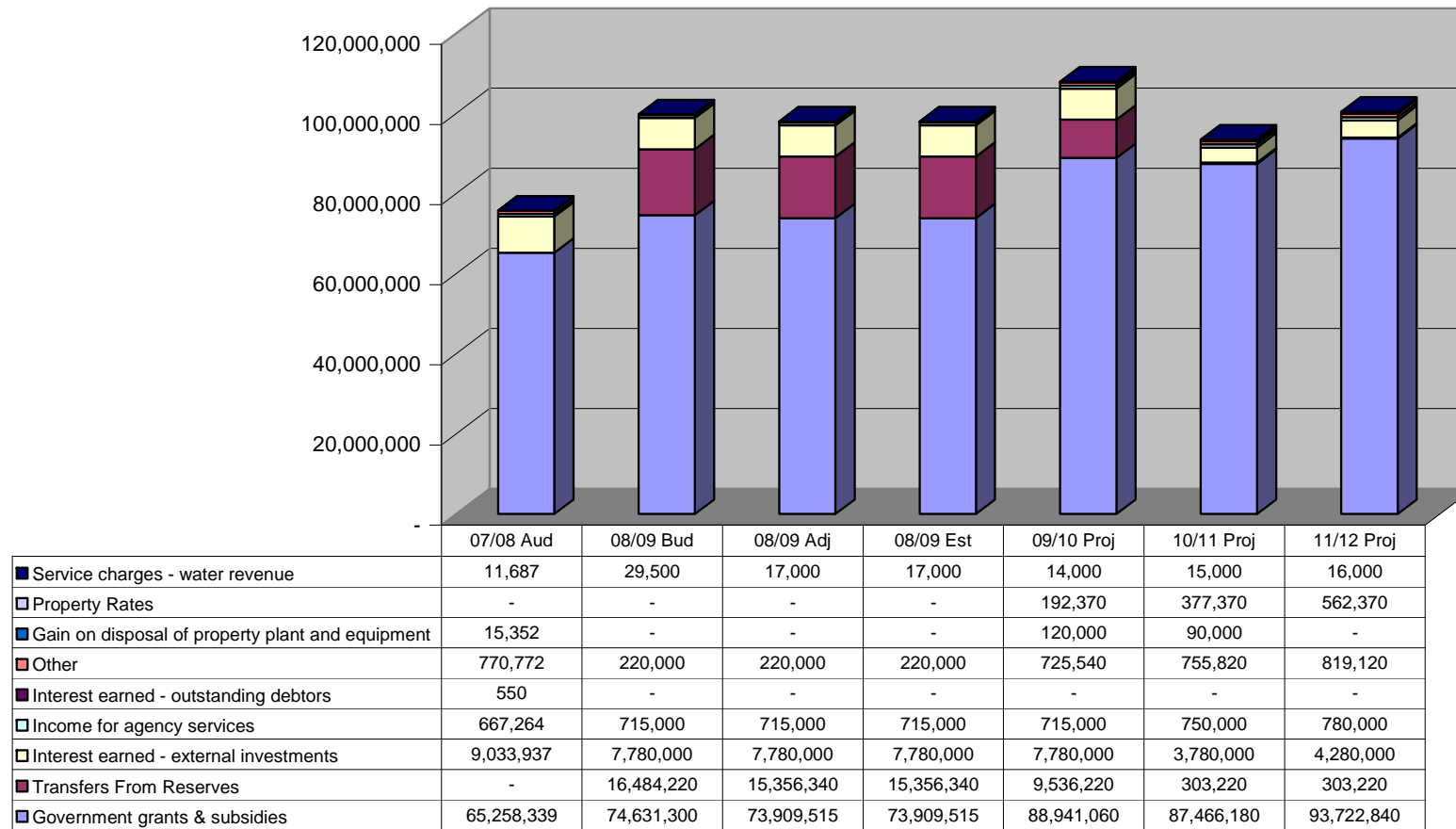
## SCHEDULE 5: CAPITAL EXPENDITURE BY VOTE

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
					Budget Year 2009/10	Budget Year +1 2010/11
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget R	Budget R
<b>Executive &amp; Council</b>	<b>215,046</b>	<b>2,104,260</b>	<b>1,754,260</b>	<b>1,754,260</b>	<b>174,500</b>	<b>-</b>
Council	198,270	1,000,000	1,000,000	1,000,000	3,500	-
Municipal Manager	11,104		18,000	18,000	-	-
Internal Audit			36,000	36,000	73,000	-
Communications	-	1,036,260	632,260	632,260	98,000	-
Committee Services & Administration	5,672	68,000	68,000	68,000	-	-
<b>Finance &amp; Admin</b>	<b>1,957,388</b>	<b>804,000</b>	<b>742,725</b>	<b>742,725</b>	<b>846,900</b>	<b>363,100</b>
Finance: Directorate					5,000	5,000
Finance General						
Budget Office	9,964	18,000	13,100	13,100	-	-
Motor Vehicle Pool	172,610		-	-	420,000	130,000
Income & Expenditure	5,338		-	-	4,700	-
Supply Chain	22,812	68,000	66,355	66,355	9,700	-
Information Technology	446,611	718,000	663,270	663,270	356,500	228,100
Human Resources Management	14,710		-	-	11,000	-
Office Support Services	1,285,343		-	-	40,000	-
<b>Planning &amp; Development</b>	<b>254,481</b>	<b>26,471,380</b>	<b>26,465,200</b>	<b>26,465,200</b>	<b>7,135,500</b>	<b>-</b>
Directorate: Planning			-	-		-
Planning Unit	62,710	52,380	52,380	52,380	50,500	-
Directorate: Infrastructure Development		24,803,000	24,803,000	24,803,000	7,085,000	-
Project Management Services	102,846	1,600,000	1,593,820	1,593,820		
IDP / PMS Management			-	-		
Local Economic Development & Tourism	88,925	16,000	16,000	16,000		
<b>Health</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,600</b>	<b>-</b>
Environmental Health					13,600	
<b>Housing</b>	<b>50,410</b>	<b>282,000</b>	<b>27,000</b>	<b>27,000</b>	<b>326,000</b>	<b>-</b>
Housing Unit	50,410	282,000	27,000	27,000	326,000	
<b>Community &amp; Social Services</b>	<b>4,624</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>20,000</b>	<b>-</b>
Community Development	4,624	4,500	4,500	4,500	20,000	-
<b>Public Safety</b>	<b>48,508</b>	<b>232,570</b>	<b>295,720</b>	<b>295,720</b>	<b>144,000</b>	<b>-</b>
Firefighting & Disaster Management	48,508	232,570	295,720	295,720	144,000	
NEAR Control Centre						
<b>CAPITAL EXPENDITURE BY VOTE</b>	<b>2,530,456</b>	<b>29,898,710</b>	<b>29,289,405</b>	<b>29,289,405</b>	<b>8,660,500</b>	<b>363,100</b>

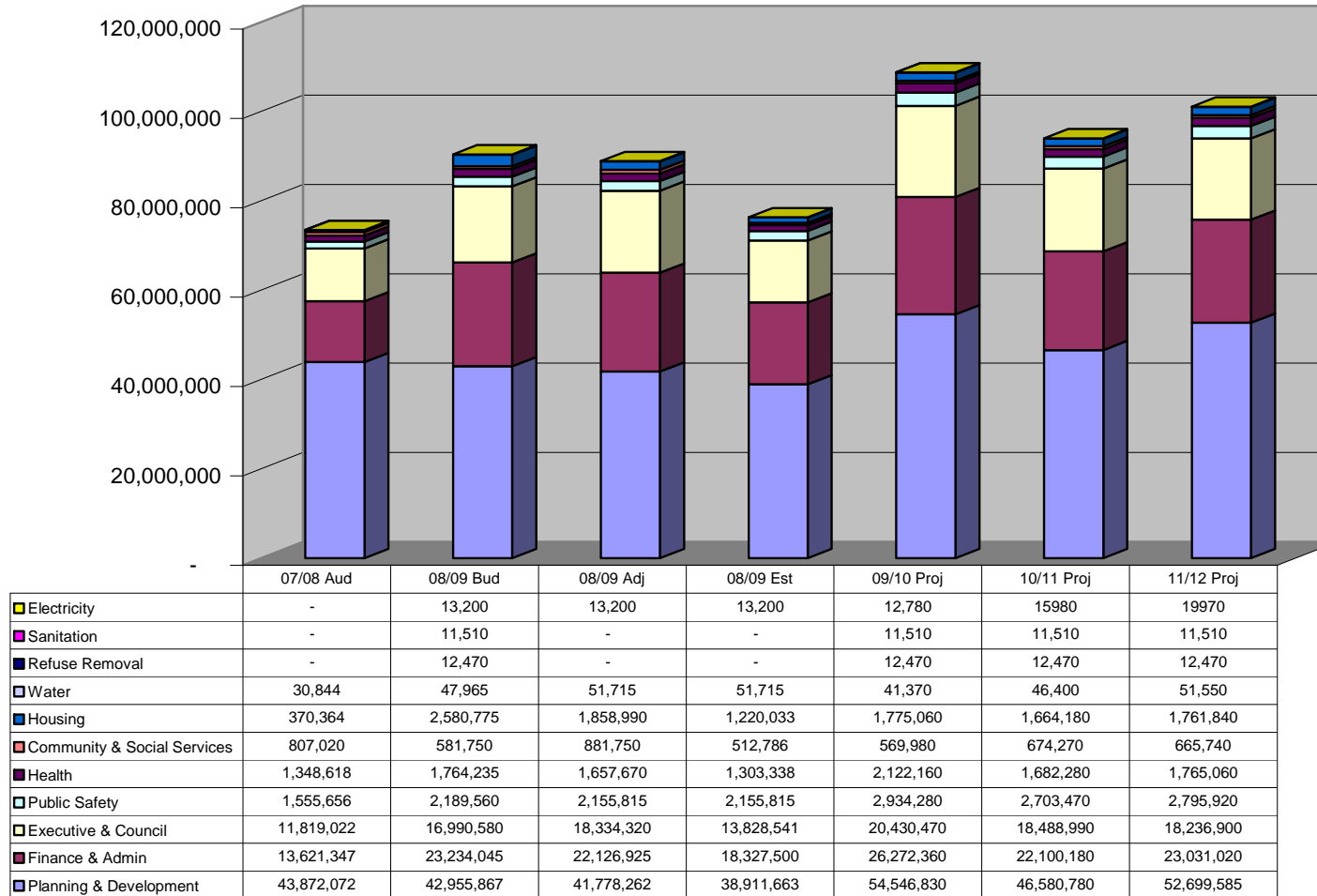
**FRANCES BAARD DISTRICT MUNICIPALITY**  
**SCHEDULE 6: CAPITAL EXPENDITURE BY FUNDING SOURCE**

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure	
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year	Budget Year +1
					2009/10 Budget R	2010/11 Budget R
<b>National Government</b> Amounts allocated / gazetted for that year Amounts carried over from previous years	92,378	-			-	
<b>Total Grants &amp; Subsidies - National Government</b>	<b>92,378</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provincial Government</b> Amounts allocated / gazetted for that year Amounts carried over from previous years	- -	282,000 -	27,000 -	27,000 -	66,000 -	- -
<b>Total Grants &amp; Subsidies - Provincial Government</b>	<b>-</b>	<b>282,000</b>	<b>27,000</b>	<b>27,000</b>	<b>66,000</b>	<b>-</b>
<b>District Municipality</b> Amounts allocated for that year Amounts carried over from previous years	- -	- -	- -	- -	- -	- -
<b>Total Grants &amp; Subsidies - District Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Government Grants &amp; Subsidies</b>	<b>92,378</b>	<b>282,000</b>	<b>27,000</b>	<b>27,000</b>	<b>66,000</b>	
<b>Public Contributions &amp; Donations</b>	<b>-</b>					
<b>Accumulated Surplus (Own Funds)</b>		<b>10,469,380</b>	<b>10,113,200</b>	<b>10,113,200</b>		
<b>Own Funds (Capital Replacement Reserve)</b>	<b>2,438,077</b>	<b>4,147,330</b>	<b>4,149,205</b>	<b>4,149,205</b>	<b>8,594,500</b>	<b>363,100</b>
<b>External Loans</b>	<b>-</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>		
<b>TOTAL FUNDING OF CAPITAL EXPENDITURE</b>	<b>2,530,456</b>	<b>29,898,710</b>	<b>29,289,405</b>	<b>29,289,405</b>	<b>8,660,500</b>	<b>363,100</b>

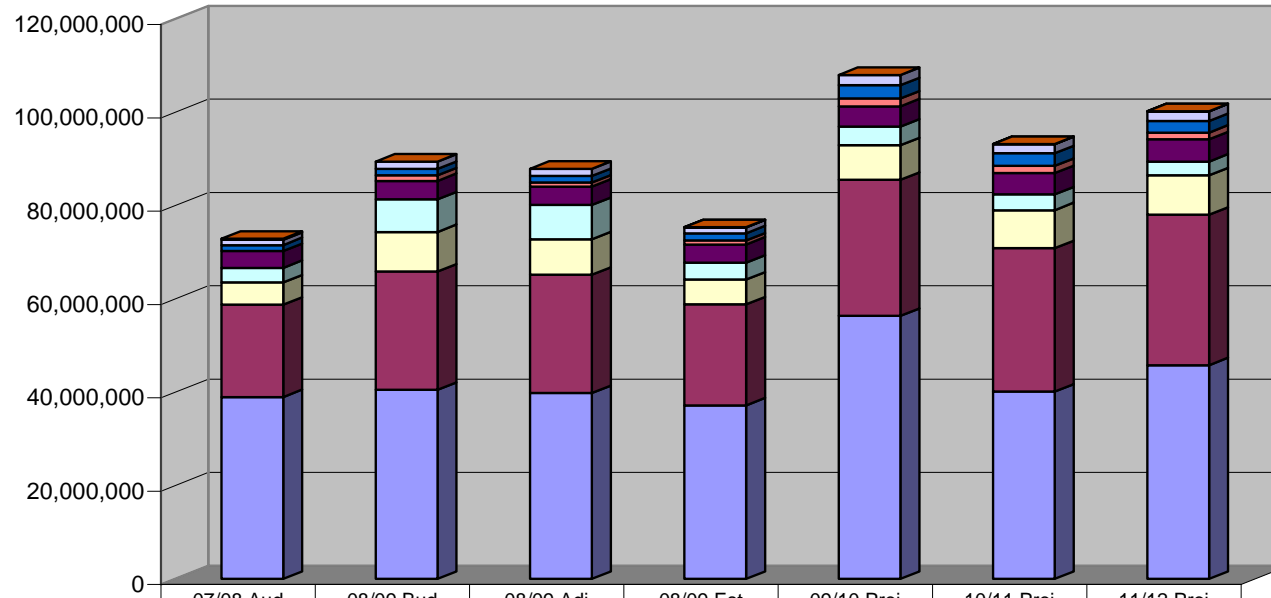
**CHART 1: REVENUE BY SOURCE**



**CHART 2: EXPENDITURE BY VOTE**

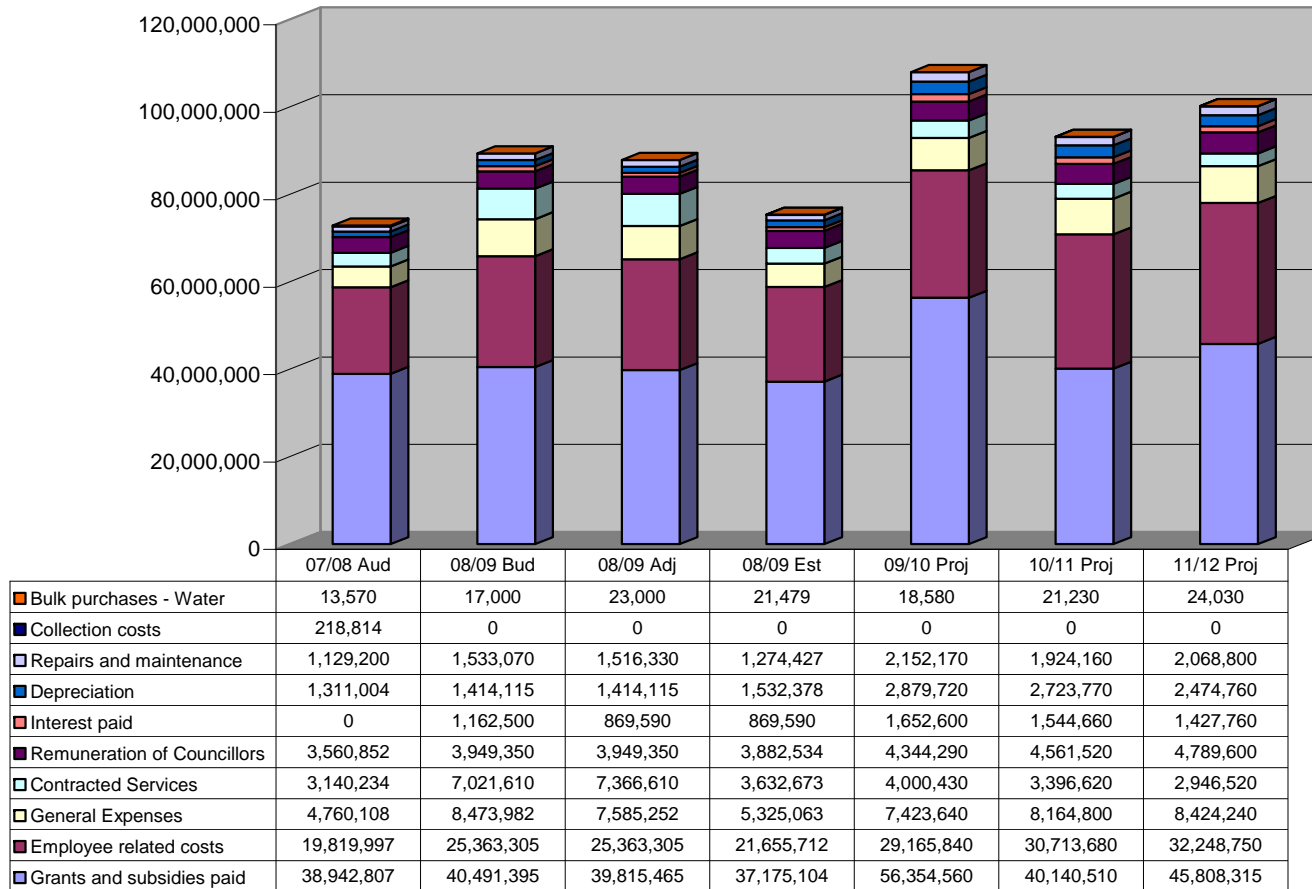


**CHART 3: OPERATING EXPENDITURE BY TYPE**

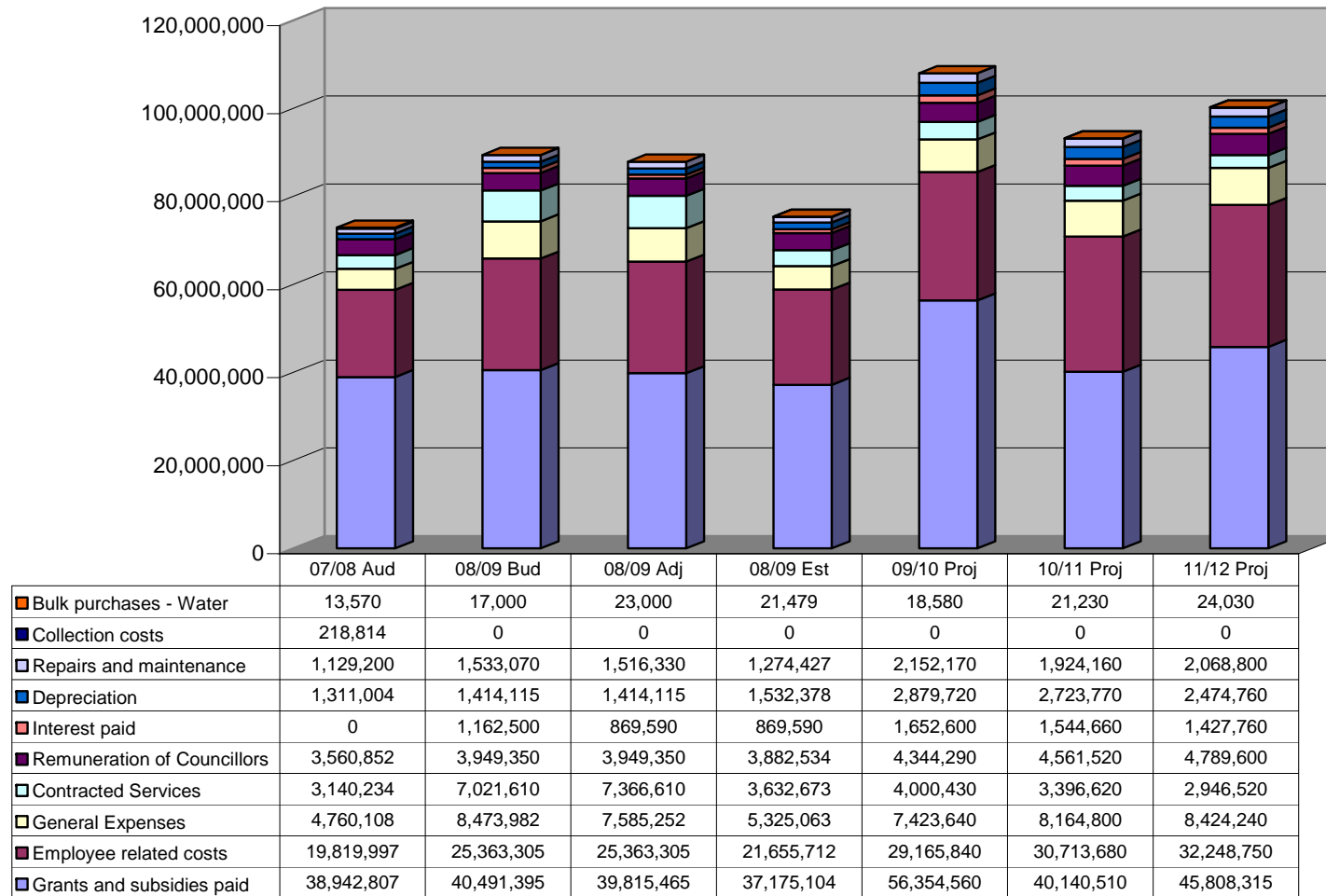


	07/08 Aud	08/09 Bud	08/09 Adj	08/09 Est	09/10 Proj	10/11 Proj	11/12 Proj
Bulk purchases - Water	13,570	17,000	23,000	21,479	18,580	21,230	24,030
Collection costs	218,814	0	0	0	0	0	0
Repairs and maintenance	1,129,200	1,533,070	1,516,330	1,274,427	2,152,170	1,924,160	2,068,800
Depreciation	1,311,004	1,414,115	1,414,115	1,532,378	2,879,720	2,723,770	2,474,760
Interest paid	0	1,162,500	869,590	869,590	1,652,600	1,544,660	1,427,760
Remuneration of Councillors	3,560,852	3,949,350	3,949,350	3,882,534	4,344,290	4,561,520	4,789,600
Contracted Services	3,140,234	7,021,610	7,366,610	3,632,673	4,000,430	3,396,620	2,946,520
General Expenses	4,760,108	8,473,982	7,585,252	5,325,063	7,423,640	8,164,800	8,424,240
Employee related costs	19,819,997	25,363,305	25,363,305	21,655,712	29,165,840	30,713,680	32,248,750
Grants and subsidies paid	38,942,807	40,491,395	39,815,465	37,175,104	56,354,560	40,140,510	45,808,315

**CHART 3: OPERATING EXPENDITURE BY TYPE**



**CHART 3: OPERATING EXPENDITURE BY TYPE**



***OTHER RELATED SUPPORTING  
DOCUMENTATION***



# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 1: SUMMARY OF REVENUE & EXPENDITURE BY VOTE**

Vote	2009/10						Surplus / (Deficit) R
	Capital R	Appropriations Operating R	Total R	Own Source R	Funding External R	Total R	
Executive & Council	174,500	20,430,470	20,604,970	3,500,000	1,240,000	4,740,000	-15,864,970
Finance & Admin	846,900	25,534,920	26,381,820	18,089,090	57,677,000	75,766,090	49,384,270
Planning and Development	7,135,500	54,546,830	61,682,330	6,110,540	26,988,870	33,099,410	-28,582,920
Health	13,600	2,122,160	2,135,760		96,000	96,000	-2,039,760
Housing	326,000	1,775,060	2,101,060		1,841,060	1,841,060	-260,000
Community & Social Services	20,000	569,980	589,980				-589,980
Public Safety	144,000	2,934,280	3,078,280		1,034,000	1,034,000	-2,044,280
Water		41,370	41,370	14,000	27,370	41,370	-
Electricity		12,780	12,780	-	12,780	12,780	-
Refuse Removal		12,470	12,470	-	12,470	12,470	-
Sanitation		11,510	11,510	-	11,510	11,510	-
<b>TOTAL</b>	<b>8,660,500</b>	<b>107,991,830</b>	<b>116,652,330</b>	<b>27,713,630</b>	<b>88,941,060</b>	<b>116,654,690</b>	<b>2,360</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 1: SUMMARY OF REVENUE & EXPENDITURE BY VOTE**

Vote	2010/11						Surplus / (Deficit) R
	Capital R	Appropriations Operating R	Total R	Own Source R	Funding External R	Total R	
Executive & Council	-	18,488,990	18,488,990		1,304,000	1,304,000	-17,184,990
Finance & Admin	363,100	21,310,620	21,673,720	5,566,590	63,056,000	68,622,590	46,948,870
Planning and Development	-	46,580,780	46,580,780	525,820	20,192,640	20,718,460	-25,862,320
Health	-	1,682,280	1,682,280		103,000	103,000	-1,579,280
Housing	-	1,664,180	1,664,180		1,664,180	1,664,180	-
Community & Social Services	-	674,270	674,270				-674,270
Public Safety	-	2,703,470	2,703,470		1,075,000	1,075,000	-1,628,470
Water		46,400	46,400	15,000	31,400	46,400	-
Electricity		15,980	15,980	-	15,980	15,980	-
Refuse Removal		12,470	12,470	-	12,470	12,470	-
Sanitation		11,510	11,510	-	11,510	11,510	-
<b>TOTAL</b>	<b>363,100</b>	<b>93,190,950</b>	<b>93,554,050</b>	<b>6,107,410</b>	<b>87,466,180</b>	<b>93,573,590</b>	<b>19,540</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 1: SUMMARY OF REVENUE & EXPENDITURE BY VOTE**

Vote	2011/12						Surplus / (Deficit) R
	Capital R	Appropriations Operating R	Total R	Own Source R	Funding External R	Total R	
Executive & Council	-	18,236,900	18,236,900		1,382,000	1,382,000	-16,854,900
Finance & Admin	283,680	22,192,230	22,475,910	6,201,590	68,895,000	75,096,590	52,620,680
Planning and Development	-	52,699,585	52,699,585	579,120	20,385,500	20,964,620	-31,734,965
Health	-	1,765,060	1,765,060		80,000	80,000	-1,685,060
Housing	-	1,761,840	1,761,840		1,761,840	1,761,840	-
Community & Social Services	-	665,740	665,740				-665,740
Public Safety	-	2,795,920	2,795,920		1,139,000	1,139,000	-1,656,920
Water		51,550	51,550	16,000	35,550	51,550	-
Electricity		19,970	19,970	-	19,970	19,970	-
Refuse Removal		12,470	12,470	-	12,470	12,470	-
Sanitation		11,510	11,510	-	11,510	11,510	-
<b>TOTAL</b>	<b>283,680</b>	<b>100,212,775</b>	<b>100,496,455</b>	<b>6,796,710</b>	<b>93,722,840</b>	<b>100,519,550</b>	<b>23,095</b>

## FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 2: CAPITAL EXPENDITURE BY CATEGORY**

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R
INFRASTRUCTURE	-	-	-	-	-	-	-
Land and Buildings							
Roads, pavements, bridges and stormwater							
Water Reservoirs and reticulation							
Car parks, bus terminals and taxi ranks							
Electricity reticulation							
Sewerage purification and reticulation							
Housing							
Street lighting							
Refuse sights							
Gas							
Other							
COMMUNITY	-	30,000	30,000	30,000	-	-	-
Establishment of parks & gardens							
Sportsfields							
Community halls							
Libraries							
Recreation facilities							
Clinics							
Museums & art galleries							
Other		30,000	30,000	30,000			
HERITAGE ASSETS	-	1,000,000	600,000	600,000	53,000	-	-
INVESTMENT PROPERTIES	-	-	-	-	-	-	-
OTHER ASSETS	1,134,516	28,868,710	28,659,405	28,659,405	8,607,500	363,100	283,680
Other motor vehicles	694,718	250,000	-	-	680,000	130,000	200,000
Plant & equipment	193,191	1,904,200	1,904,200	1,904,200	245,700	-	-
Office equipment	246,607	2,014,510	2,055,205	2,055,205	976,800	233,100	83,680
Abattoirs			-	-			
Markets			-	-			
Security measures			-	-			
Land & Buildings		24,700,000	24,700,000	24,700,000	6,705,000		
SPECIALISED VEHICLES	-	-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
Buses							
TOTAL CAPITAL EXPENDITURE	1,134,516	29,898,710	29,289,405	29,289,405	8,660,500	363,100	283,680

# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 2(a): DETAILED CAPITAL BUDGET**

Other Assets				Budget 2008/2009	Adjusted 2008/2009	Budget 2009 / 2010	2010 / 2011	2011 / 2012
<b>Computer equipment</b>				<b>928,630</b>	<b>914,505</b>	<b>498,600</b>	<b>228,100</b>	<b>83,680</b>
Finance	Budget Office	1	Lap top	New	18,000	13,100		
Finance	Supply Chain	1	Lap top	New	18,000	17,105		
Finance	Supply Chain	1	Printer	New	50,000	49,250		
Planning & Development	Local Economic Develop	1	Data Projector	New	5,000	5,000		
Administration	IT services		Computer	Replace	40,000	40,000	85,000	40000
Administration	IT services		Server	Replace			180,000	188100
Administration	IT services	1	Computer	New			10,000	43680
Council & Executive	Committee Services & A	1	Laptop	New	18,000	18,000		
Council & Executive	Communications	1	22" Monitor	New	2,600	2,600		
Council & Executive	Communications	1	Laptop	New	10,460	10,460		
Council & Executive	Communications	1	Computer	New	15,000	15,000		
Council & Executive	Municipal Manager	1	Lap tops	Replace	-	18,000		
Council & Executive	Internal audit	2	Lap tops	New	-	36,000		
Council & Executive	Council	1	Portable Printer	New			3,500	
Administration	IT services	1	Projector	New			15,000	
Environmental Health	Health	1	Digital Projector	New			4,200	
Environmental Health	Health	1	Computer Monitor	New			1,200	
Administration	Disaster Management	3	Computers	New			24,000	
Community Development	Community Development	1	Computer	New			10,000	
Finance & Administration	Finance: Revenue & Exp	1	Flat Screen Monitor	New			1,200	
Finance & Administration	Finance: Revenue & Exp	1	Receipt Printer	New			3,500	
Finance & Administration	Supply Chain	1	Computer	New			9,000	
Council & Executive	Internal audit	3	Lap tops	New			60,000	

# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 2(a): DETAILED CAPITAL BUDGET**

Other Assets				Budget 2008/2009	Adjusted 2008/2009	Budget 2009 / 2010	2010 / 2011	2011 / 2012
Planning & Development	Planning Unit	1	Adobe Document Converter Softv	New	4,000	4,000		
Planning	Disaster Management	1	Acces Crads Printer	New	22,570	20,720		
Infrastructure Services	Project Management Serv	1	Auto CAD	New	15,000	15,000		
Infrastructure Services	Project Management Serv	1	MS projector	New	5,000	5,000		
Finance & Administration	IT services	2	Harddrives for Servers		8,000	8,000		
Finance & Administration	IT services	1	Server UPS		120,000	109,975		
Finance & Administration	IT services	1	ISA/Firewall Server		70,000	36,845		
Finance & Administration	IT services		Upgrade of network Infrastructure		350,000	350,000		
Finance & Administration	IT services	1	Network Printer		60,000	48,450	60,000	
Finance & Administration	IT services		Router		20,000	20,000		
Finance & Administration	IT services		GIS Server		50,000	50,000		
Planning & Development	Housing	1	Colour Printer		5,000	-	5,000	
Planning & Development	Housing	1	Laptop		17,000	17,000		
Planning & Development	Housing	2	Computer		5,000	5,000	10,000	
<b>Motor Vehicles</b>				<b>250,000</b>	<b>-</b>	<b>680,000</b>	<b>130,000</b>	<b>200,000</b>
Finance	Motor Vehicle Pool	1	Light delivery vehicles	Replace		420,000	130,000	200,000
Housing	Housing	1	Housing Car	New	250,000	260,000		
<b>Furniture &amp; Fittings</b>				<b>1,070,000</b>	<b>1,066,000</b>	<b>381,500</b>	<b>-</b>	<b>-</b>
Council & Executive	Youth Unit	2	Computers	New	10,000	10,000		
Council & Executive	Youth Unit	2	Filling Cabinet	New	4,000	4,000		
Council & Executive	Youth Unit	2	L Shape Desks	New	8,000	8,000		
Council & Executive	Committee Services & Administr		Wooden Filling cabinet	New	8,000	8,000		
Council & Executive	Committee Services & Administr		Wooden cabinet/cupboard	New	10,000	10,000		
Council & Executive	Committee Services & Administr		Table	New	10,000	10,000		
Planning & Development	Local Economic Development &		Book shelves & Steel Cupboard	New	11,000	11,000		
Council & Executive	Communications		L Shaped desk	New	4,000	-		
Infrastructure Services	Project Management Services		Office Furniture	New	1,000,000	1,000,000	300,000	
Planning & Development	Housing	2	Desks	New	5,000	5,000		
Council & Executive	Internal Audit	2	Filling Cabinet	New			3,000	
Council & Executive	Internal Audit	2	Desk L Shape	New			10,000	
Administration	Human Recourses Manag	1	Desk L Shape	New			5,000	
Administration	Human Recourses Manag	1	Chair	New			1,000	
Administration	Human Recourses Manag	1	Filling Cabinet	New			5,000	
Administration	IT services	1	Chair & Desk	New			6,500	
Administration	Office support		Equipment for Council House				20,000	
Administration	Office support		74 Cm Television	New			10,000	
Administration	Office support		Stove & Microwave	New			10,000	
Community development	Community development	1	Desk L Shape	New			5,000	
Community development	Community development	1	Filling Cabinet	New			4,000	

# FRANCES BAARD DISTRICT MUNICIPALITY

## TABLE 2(a): DETAILED CAPITAL BUDGET

Other Assets				Budget 2008/2009	Adjusted 2008/2009	Budget 2009 / 2010	2010 / 2011	2011 / 2012
Community development	Community development	1	Chair			1,000		
Environmental Health	Health	1	Fridge			1,000		
<b>Office Equipment</b>				<b>15,880</b>	<b>11,380</b>	<b>96,700</b>	<b>5,000</b>	<b>-</b>
Planning & Development	Planning Unit	1	Paper cutter	6,880	6,880			
Infrastructure Services	Project Management Serv	1	Digital Camera	4,500	4,500			
Infrastructure Services	Project Management Serv	1	Scientific Calculator	4,500	-			
Environmental Health	Health	1	Speakers			1,000		
Environmental Health	Health	1	Digital Camera			5,000		
Environmental Health	Health	1	Schreen			1,200		
\	Housing		Workstation			34,000		
Finance & Admin	Finance: Directorate	1	GPS Navigation System			5,000	5,000	
Planning & Development	Directorate: Planning & I	1	Scientific Calculator			4,500		
			Global Positioning System					
Planning & Development	Directorate: Planning & I	1	device			6,000		
			Global Positioning System					
Planning & Development	Planning Unit	1	device			40,000		
<b>Plant &amp; Equipment</b>				<b>1,904,200</b>	<b>1,967,520</b>	<b>245,700</b>	<b>-</b>	<b>-</b>
Planning	Disaster Management	1	Taging of Electronic Equipment			120,000		
Infrastructure Services	Project Management Serv	1	Lawn mower	24,000	22,320			
Council & Executive	Communications	1	Camera Flash	2,000	2,000			
Council & Executive	Communications	1	Camera Lens	2,200	2,200			
Council & Executive	Communications	1	Sound system			45,000		
Planning & Development	Planning Unit	1	Technical Drawing Board	11,500	11,500			
Infrastructure Services	Project Management Serv	8	Air conditioners	40,000	40,000	80,000		
Finance & Admin	Supply Chain	1	Trolley			700		
Infrastructure Services	Project Management Serv	2	Air conditioners	10,000	10,000			
Infrastructure Services	Project Management Serv	1	Grader	1,600,000	1,600,000			
Planning	Disaster Management	1	16 Survaillance cameras	190,000	255,000			
Planning	Disaster Management		Fire Fighting Equipment	20,000	20,000			
Community & Social Services	Community Development	1	Digital Camera	4,500	4,500			
<b>Buildings &amp; facilities</b>				<b>25,700,000</b>	<b>25,300,000</b>	<b>6,758,000</b>	<b>-</b>	<b>-</b>
Council & Executive	Communications	1	Frances Baard Statue	1,000,000	600,000	53,000		
Technical Services	Project Management Services		Upgrading of Council House	200,000	200,000	50,000		
Technical Services	Project Management Services		Alterations of offices			460,000		
Technical Services	Project Management Services		Council Chamber	24,500,000	24,500,000	6,195,000		
<b>Total Other Assets</b>				<b>29,868,710</b>	<b>29,259,405</b>	<b>8,660,500</b>	<b>363,100</b>	<b>283,680</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 2(a): DETAILED CAPITAL BUDGET**

Other Assets				Budget 2008/2009	Adjusted 2008/2009	Budget 2009 / 2010	2010 / 2011	2011 / 2012
Community Assets								
Cemetery				30,000	30,000	-	-	-
Planning & Development	Project Management Services	Cemetery: Olierivier	New	30,000	30,000			
Total Community Assets				30,000	30,000	-	-	-
TOTAL DETAILED CAPITAL BUDGET				29,898,710	29,289,405	8,660,500	363,100	283,680

# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 3: RECONCILIATION OF IDP & BUDGET (REVENUE)

Strategic Objective	Action Plan	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R	Budget Year +2 2011/12 Budget R
<b><u>Basic Services</u></b>								
Provision & maintenance of infrastructure & basic services	Project Management Services							
Provision & maintenance of infrastructure & basic services	Housing	420,774	2,580,775	1,858,990	1,858,990	1,841,060	1,664,180	1,761,840
To facilitate and support the eradication of backlogs in infrastr	Project Management					3,991,700	6,220,000	13,360,000
To provide and facilitate basic service in the DMA	Project Management	11,309,642	29,688,355	28,560,475	28,560,475	26,302,170	12,972,640	6,025,500
To provide and facilitate basic service in the DMA	Streets Maintenance	-				505,540	525,820	579,120
Provision of basic services to other rural areas within DMA	Water Services: Koopmansfontein	20,947	47,965	47,965	47,965	41,370	46,400	51,550
Provision of basic services to other rural areas within DMA	Electricity Services: Koopmansfontein	9,970	13,200	13,200	13,200	12,780	15,980	19,970
Provision of basic services to other rural areas within DMA	Refuse Removal Services: Koopmans	-	12,470	-	-	12,470	12,470	12,470
Provision of basic services to other rural areas within DMA	Sanitation Services: Koopmansfontein	-	11,510	-	-	11,510	11,510	11,510
<b>Total</b>		<b>11,761,333</b>	<b>32,354,275</b>	<b>30,480,630</b>	<b>30,480,630</b>	<b>32,718,600</b>	<b>21,469,000</b>	<b>21,821,960</b>
<b><u>Municipal Institutional Development And Transformation</u></b>								
Social development.	Integrated Development Planning					2,300,000	1,000,000	1,000,000
To Prepare and Review Spatial Development Frameworks of	Planning Unit	407,449	1,735,000	1,735,000	1,735,000	-	-	-
To develop an effective food monitoring program by 2008	Environmental Health	100,000	92,000	92,000	92,000	96,000	103,000	80,000
To coordinate firefighting activities in the DMA.	Fire Fighting & Disaster Management	823,000	1,089,525	1,089,525	1,089,525	1,034,000	1,075,000	1,139,000
<b>Total</b>		<b>1,330,449</b>	<b>2,916,525</b>	<b>2,916,525</b>	<b>2,916,525</b>	<b>3,430,000</b>	<b>2,178,000</b>	<b>2,219,000</b>
<b><u>Municipal Financial Viability and Management</u></b>								
Sustained financial viability	Finance Management		-	-	-	431,220	303,220	303,220
Sustained financial viability	Motor Vehicle Pool							
To effectively manage the revenue and expenditure functions	Revenue & Expenditure	61,332,477	63,097,220	63,108,700	63,108,700	65,990,370	67,319,370	73,543,370
To implement an effective system of budgeting and in year re	Budget & Treasury Office	500,000	500,000	500,000	500,000	750,000	1,000,000	1,250,000
<b>Total</b>		<b>61,832,477</b>	<b>63,597,220</b>	<b>63,608,700</b>	<b>63,608,700</b>	<b>67,171,590</b>	<b>68,622,590</b>	<b>75,096,590</b>
<b><u>Good Governance and Public Participation</u></b>								
Good Governance	Council	893,000	1,028,000	1,028,000	1,028,000	1,240,000	1,304,000	1,382,000
Good Governance	Municipal Manager	-	-	-	-	3,500,000	-	-
Good Governance	Internal Audit	-	-	-	-	-	-	-
Good Governance	Committee Services	-	-	-	-	-	-	-
<b>Total</b>		<b>893,000</b>	<b>1,028,000</b>	<b>1,028,000</b>	<b>1,028,000</b>	<b>4,740,000</b>	<b>1,304,000</b>	<b>1,382,000</b>
<b>TOTAL OPERATING REVENUE</b>		<b>75,817,260</b>	<b>99,896,020</b>	<b>98,033,855</b>	<b>98,033,855</b>	<b>108,060,190</b>	<b>93,573,590</b>	<b>100,519,550</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 4: RECONCILIATION OF IDP & BUDGET (EXPENDITURE)

Strategic Objective	Action Plan	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
						Budget R	Budget R	Budget R
<b>Basic Services</b>								
To facilitate and support the eradication of backlogs in infrastructure	Project Management	29,905,780	23,044,160	22,840,160	22,606,419	33,273,090	19,339,130	18,503,670
To provide and facilitate basic service in the DMA	Project Management	2,132,563	1,400,000	1,400,000	1,511,947	3,991,700	6,220,000	13,360,000
To provide and facilitate basic service in the DMA	Streets Maintenance				-	505,540	525,820	579,120
Provision of basic services to other rural areas within DMA	Municipal services: Koopmansfontein	30,844	98,345	78,115	42,162	78,130	86,360	95,500
To support the maintenance of municipal infrastructure	Project Management	5,246,898	6,000,000	5,476,700	7,000,000	5,624,170	10,000,000	10,000,000
To facilitate and support provision of housing	Housing	370,364	2,580,775	1,858,990	1,220,033	1,775,060	1,664,180	1,761,840
<b>Total</b>		<b>37,686,450</b>	<b>33,123,280</b>	<b>31,653,965</b>	<b>32,380,562</b>	<b>45,247,690</b>	<b>37,835,490</b>	<b>44,300,130</b>
<b>Municipal Institutional Development And Transformation</b>								
To prepare and review the IDP for the DMA	IDP / PMS	170,583	315,078	315,078	315,078	1,019,772	646,416	664,518
To support the implementation of PMS in the B Municipalities	IDP / PMS	170,583	315,078	315,078	315,078	237,947	150,830	155,054
Implement and maintain PMS in FBDM	IDP / PMS	177,301	327,486	327,486	327,486	339,924	215,472	221,506
Improvement of institutional capacity of Municipalities	IDP / PMS	-	-	-	-	1,801,597	1,142,002	1,173,982
To Prepare and Review Spatial Development Frameworks of Municipalities	Spatial Development	708,521	1,308,682	1,308,682	1,308,682	338,013	329,998	343,231
To Manage Urban Development according to app. plans	Spatial Development	525,037	969,776	569,776	569,776	289,725	282,855	294,198
To Prepare and Implement Township Establishment Plans	Spatial Development	583,149	1,077,113	1,077,113	1,077,113	338,013	329,998	343,231
GIS Management	Planning Unit	191,319	353,379	353,379	353,379	651,730	636,170	667,070
Preparation of IDP	Planning Unit	284,351	525,215	521,215	521,215	1,007,110	1,062,150	1,113,810
To facilitate awareness campaigns in the district	Community Development	557,481	401,867	401,867	139,443	240,000	319,900	290,220
Coordinate and facilitate provision of Government services	Community Development	249,539	179,883	479,883	373,343	329,980	354,370	375,520
Provision of effective IT service to all users & stakeholders	IT Service	1,526,075	3,831,720	3,741,720	2,042,696	2,891,570	2,583,060	2,536,470
Provision of an efficient and effective HR Function	Human Resources Management	1,851,238	2,783,975	2,783,975	2,185,873	2,863,360	3,004,170	3,147,850
To manage auxiliary services efficiently and effectively	Office Support	2,921,704	3,601,605	3,601,605	2,779,473	6,176,410	6,241,720	6,829,540
To reduce pollution levels through identification and implementation of programmes by 2010	Environmental Health	148,348	194,066	159,806	104,267	169,773	134,582	141,205
To develop an effective food monitoring program by 2008	Environmental Health	458,530	599,840	578,185	234,601	381,989	302,810	317,711
To evaluate and monitor non- food premises	Environmental Health	148,348	194,066	194,066	65,167	106,108	84,114	88,253
To provide environmental health awareness	Environmental Health	148,348	194,066	194,066	13,033	21,222	16,823	17,651
To facilitate awareness campaigns in the district	Environmental Health	175,320	229,351	197,701	325,834	530,540	420,570	441,265
To monitor, evaluate and improve safe disposal of hazardous and general waste	Environmental Health	134,862	176,424	167,424	117,300	190,994	151,405	158,855
Facilitate pauper burials	Environmental Health	13,486	17,642	7,642	10,427	16,977	13,458	14,120
To monitor, review and implement IWMP and IEMP	Environmental Health	121,376	158,781	158,781	432,708	704,557	558,517	586,000
To Establish the District Disaster Management Centres	Fire Fighting & Disaster Management				92,320	264,085	243,312	251,633
To implement the approved disaster management policy.	Fire Fighting & Disaster Management	544,480	766,346	766,346	287,218	821,598	756,972	782,858
To implement integrated communication links with all disaster management role-players.	Fire Fighting & Disaster Management	311,131	437,912	437,912	112,836	322,771	297,382	307,551
To coordinate firefighting activities in the DMA.	Fire Fighting & Disaster Management	155,566	218,956	185,211	71,804	205,400	189,243	195,714
To Coordinate the functions of the Health and Safety committee activities	Fire Fighting & Disaster Management	233,348	328,434	328,434	153,867	440,142	405,521	419,388
To Coordinate Security Services	Fire Fighting & Disaster Management	311,131	437,912	437,912	307,733	880,284	811,041	838,776
<b>Total</b>		<b>12,821,156</b>	<b>19,944,652</b>	<b>19,610,342</b>	<b>14,637,750</b>	<b>23,581,590</b>	<b>21,684,860</b>	<b>22,717,180</b>



**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 4: RECONCILIATION OF IDP & BUDGET (EXPENDITURE)**

Strategic Objective	Action Plan	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R	Budget Year +2 2011/12 Budget R
<b><u>Local Economic Development</u></b>								
To promote and support SMME development	LED & Tourism	584,573	695,988	695,988	483,144	923,130	1,025,989	950,435
Institutional Capacity Building	LED & Tourism	324,763	1,441,838	1,395,533	268,413	512,850	569,994	528,020
Connectivity to the National Spatial economy	LED & Tourism	162,381	695,988	695,988	134,207	256,425	284,997	264,010
Tourism Development & Promotion	LED & Tourism	1,266,575	695,988	695,988	1,046,812	2,000,115	2,222,977	2,059,276
Adding value to the mining sector	LED & Tourism	-	1,429,292	1,429,292	254,993	487,208	541,494	501,619
Manufacturing and industry development	LED & Tourism	292,287	695,988	695,988	241,572	461,565	512,995	475,218
Emerging Agricultural development	LED & Tourism	617,050	695,988	695,988	254,993	487,208	541,494	501,619
<b>Total</b>		<b>3,247,629</b>	<b>6,351,070</b>	<b>6,304,765</b>	<b>2,684,133</b>	<b>5,128,500</b>	<b>5,699,940</b>	<b>5,280,195</b>
<b><u>Municipal Financial Viability and Management</u></b>								
To implement a effective system of supply chain management	Supply Chain	674,710	872,540	872,540	872,540	1,528,720	1,603,570	1,682,430
To implement an effective system of budgeting and in year reporting procedures	Budget & Treasury Office	1,739,038	2,115,645	2,115,645	1,953,995	1,345,945	1,281,300	1,362,075
To effectively manage the revenue and expenditure functions of the municipality	Revenue & Expenditure	1,463,629	4,542,650	4,638,440	4,538,440	9,364,190	5,361,370	5,421,350
To establish and maintain an effective asset and fleet management system	Motor Vehicle Pool	1,307,670	765,910	765,910	765,910	18,780	-45,870	-149,560
To establish a support service to category "B" municipalities	Finance: Directorate	2,665,639	4,720,000	3,707,090	3,707,090	1,345,945	1,281,300	1,362,075
<b>Total</b>		<b>7,850,687</b>	<b>13,016,745</b>	<b>12,099,625</b>	<b>11,837,975</b>	<b>13,603,580</b>	<b>9,481,670</b>	<b>9,678,370</b>

**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 4: RECONCILIATION OF IDP & BUDGET (EXPENDITURE)**

Strategic Objective	Action Plan	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R	Budget Year +2 2011/12 Budget R
<b><u>Good Governance and Public Participation</u></b>								
Good Governance	Council	7,721,150	8,926,745	9,971,345	7,815,759	9,144,180	9,774,410	10,245,650
Good Governance	Committee Service & Administration	1,450,191	2,295,725	2,513,225	1,592,477	2,685,080	2,900,500	3,035,530
Accountability	Municipal Manager	1,043,505	1,033,400	1,033,400	999,423	4,716,010	1,273,860	1,334,640
To conduct internal audit reviews according to the audit plan	Internal Audit	544,011	1,267,533	1,267,533	619,799	960,635	1,580,170	1,132,095
To perform internal audit functions at category "B" municipality	Internal Audit		1,267,533	1,267,533	619,799	960,635	1,580,170	1,132,095
Communicate the business of the municipality to all stakeholders	Communications	1,063,615	1,521,770	1,521,770	1,199,707	1,080,162	758,934	746,290
To provide an internal and external communication network.	Communications		308,305	289,945	436,257	392,786	275,976	271,378
To establish a powerful, recognizable and unique Corporate Identity	Communications		369,570	369,570	545,321	490,983	344,970	339,223
<b>Total</b>		<b>10,758,858</b>	<b>16,990,580</b>	<b>18,234,320</b>	<b>13,828,541</b>	<b>20,430,470</b>	<b>18,488,990</b>	<b>18,236,900</b>
<b>TOTAL OPERATING EXPENDITURE</b>		<b>72,896,587</b>	<b>89,426,327</b>	<b>87,903,017</b>	<b>75,368,961</b>	<b>107,991,830</b>	<b>93,190,950</b>	<b>100,212,775</b>

**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 5: RECONCILIATION OF IDP & BUDGET (CAPITAL)**

Strategic Objective	Action Plan	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R	Budget Year +2 2011/12 Budget R
<b><u>Basic Services</u></b>								
Provision & maintenance of infrastructure & basic services	Project Management Services	102,846		-				
To support the maintenance of municipal infrastructure	Project Management Services		26,403,000	26,396,820	26,396,820	7,085,000	-	-
To facilitate and support provision of housing	Housing	50,410	282,000	27,000	27,000	326,000	-	-
<b>Total</b>		<b>153,256</b>	<b>26,685,000</b>	<b>26,423,820</b>	<b>26,423,820</b>	<b>7,411,000</b>	<b>-</b>	<b>-</b>
<b><u>Municipal Institutional Development And Transformation</u></b>								
To Manage Urban Development in accordance with approved	Planning Unit	62,710	52,380	52,380	52,380	50,500	-	-
Provision of an effective IT service to all users and stakeholders	IT Service	446,611	718,000	663,270	663,270	356,500	228,100	83,680
Human resources and institutional transformation	Human Resources Management	14,710	-	-	-	11,000	-	-
To support and manage auxiliary services efficiently and effectively	Office Support	1,285,343	-	-	-	40,000	-	-
To reduce pollution levels through identification and implementation	Environmental Health	-	-	-	-	13,600	-	-
To coordinate firefighting activities in the DMA.	Fire Fighting & Disaster Management	48,508	232,570	295,720	295,720	144,000	-	-
To facilitate awareness campaigns in the district	Community Development	4,624	4,500	4,500	4,500	20,000	-	-
<b>Total</b>		<b>1,862,506</b>	<b>1,007,450</b>	<b>1,015,870</b>	<b>1,015,870</b>	<b>635,600</b>	<b>228,100</b>	<b>83,680</b>
<b><u>Local Economic Development</u></b>								
Creation of a growing economy	Local Economic Development	88,925	16,000	16,000	16,000	-	-	-
<b>Total</b>		<b>88,925</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Municipal Financial Viability and Management</u></b>								
<i>Sustained financial viability</i>	Finance Management	-	-	-	-	5,000	5,000	-
Sustained financial viability	Budget office	9,964	18,000	13,100	13,100	-	-	-
Sustained financial viability	Supply Chain	22,812	68,000	66,355	66,355	9,700	-	-
Sustained financial viability	Revenue & Expenditure	5,338	-	-	-	4,700	-	-
To establish and maintain an effective asset and fleet management	Motor Vehicle Pool	172,610	-	-	-	420,000	130,000	200,000
<b>Total</b>		<b>210,724</b>	<b>86,000</b>	<b>79,455</b>	<b>79,455</b>	<b>439,400</b>	<b>135,000</b>	<b>200,000</b>
<b><u>Good Governance and Public Participation</u></b>								
Good Governance	Council	198,270	1,000,000	1,000,000	1,000,000	3,500	-	-
Good Governance	Municipal Manager	11,104	-	18,000	18,000	-	-	-
Good Governance	Committee Service & Administration	5,672	68,000	68,000	68,000	-	-	-
Communicate the business of the municipality to all stakeholders in an accessible and transparent manner	Communications	-	1,036,260	632,260	632,260	98,000	-	-
To conduct internal audit reviews according to audit plan	Internal Audit	-	-	36,000	36,000	73,000	-	-
Perform internal audit function at cat. "B" municipalities	Internal Audit	-	-	-	-	-	-	-
<b>Total</b>		<b>215,046</b>	<b>2,104,260</b>	<b>1,754,260</b>	<b>1,754,260</b>	<b>174,500</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>2,530,456</b>	<b>29,898,710</b>	<b>29,289,405</b>	<b>29,289,405</b>	<b>8,660,500</b>	<b>363,100</b>	<b>283,680</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 6: ANNUAL MEASURABLE PERFORMANCE OBJECTIVES

Objective	Indicator	Annual Target 2008/09
<b><u>Basic Services</u></b>		
To eradicate the backlog in infrastructure	Completion of infrastructure projects identified	100%
Provision of basic service to Koopmansfontein community	Provision of basic services to communities in the DMA	100%
<b><u>Municipal Institutional Development And Transformation</u></b>		
To prepare and review the IDP for the DMA	Completion of IDP	100%
To support the implementation of PMS in the B Municipalities	Operational PMS systems	20%
Implement and maintain PMS in FBDM	Operational PMS systems	100%
To Prepare and Review Spatial Development Frameworks of Municipalities	Implemented spatial development frameworks	100%
To Manage Urban Development in accordance with approved plans	Urban development according to norms & standards	100%
To Prepare and Implement Township Establishment Plans	Proper town establishment management	100%
To support the reduction of crime	Participate in crime prevention activities	100%
To facilitate awareness campaigns in the district	Number of identified projects facilitated	100%
Provision of an effective IT service to all users and stakeholders	Proper maintained IT systems	100%
To develop an effective food monitoring program by 2008	Ensure food safety as per identified programs	100%
To evaluate and monitor non- food premises	Identified premises visited	100%
To facilitate awareness campaigns in the district	Awareness campaigns facilitated	100%
To implement the approved disaster management policy.	Well maintained disaster management programs	100%
<b><u>Local Economic Development</u></b>		
To develop an investment and marketing strategy	Approved strategy	100%
To promote and support LED programs	Identified programs successfully completed	100%
To develop a tourism master plan	Approved plan	100%
<b><u>Municipal Financial Viability and Management</u></b>		
To implement a effective system of supply chain management	Functional supply chain management systems	100%
To implement an effective system of budgeting and in year reporting procedures	Monthly & annual budget process and reports completed	100%
To effectively manage the revenue and expenditure functions of the municipality	Effective financial management	100%
To establish a support service to category "B" municipalities	Improvement in financial management of category "B" municipalities	100%
<b><u>Good Governance and Public Participation</u></b>		
To conduct internal audit reviews according to the audit plan	Internal audits according approved plans conducted	100%
Communicate the business of the municipality to all stakeholders in an accessible and transparent manner	Functional Communication systems	100%

**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 7: GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS**

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS		Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
						Budget R	Budget R	Budget R
<u>National Grant Allocations</u>								
1	Equitable Share	53,610,867	61,860,000	61,860,000	61,860,000	67,847,000	75,851,000	82,678,000
2	Financial Management Grant	500,000	500,000	500,000	500,000	750,000	1,000,000	1,250,000
3	DWAF - Sanitation (Mvula Trust)	5,173,701	0	0	0	0	0	0
4	MIG - Projects	3,193,953	3,449,000	3,449,000	3,449,000	5,871,000	6,773,000	5,814,000
5	Municipal Systems Improvement Grant	407,449	1,735,000	1,735,000	1,735,000	2,300,000	1,000,000	1,000,000
6	DWAF NC 145 Holpan	0	0	0	0	0	0	0
	Expanded works programe	0	0	0	0	2,512,000	0	0
7	DWAF - Operations and maintenance	0	1,000,000	1,000,000	1,000,000	0	0	0
8	Backlogs in water & sanitation at schools	0	2,325,000	2,325,000	2,325,000	6,690,000	0	0
<b>Sub Total - National Grant Allocations</b>		<b>62,885,969</b>	<b>70,869,000</b>	<b>70,869,000</b>	<b>70,869,000</b>	<b>85,970,000</b>	<b>84,624,000</b>	<b>90,742,000</b>
<u>Provincial Grant Allocations</u>								
1	NEAR Control Centre	523,000	570,000	570,000	570,000	714,000	725,000	768,000
2	NCPA Firefighting Equipment	122,389	519,525	519,525	519,525	320,000	350,000	371,000
3	NCPA - Eradication of Bucket System	0	0	0	0	0	0	0
4	NCPA - O & M Electricity Grant	0	0	0	0	0	0	0
5	NCPA - Housing	420,774	2,580,775	1,858,990	1,858,990	1,841,060	1,664,180	1,761,840
6	Environmental Health Projects	100,000	92,000	92,000	92,000	96,000	103,000	80,000
7	Other Provincial Grants	389,839	0	0	0	0	0	0
8	Proteahof Sewer Line	816,368	0	0	0	0	0	0
<b>Sub Total - Provincial Grant Allocations</b>		<b>2,372,369</b>	<b>3,762,300</b>	<b>3040515</b>	<b>3,040,515</b>	<b>2,971,060</b>	<b>2,842,180</b>	<b>2,980,840</b>
<b>TOTAL GRANT ALLOCATIONS</b>		<b>65,258,339</b>	<b>74,631,300</b>	<b>73,909,515</b>	<b>73,909,515</b>	<b>88,941,060</b>	<b>87,466,180</b>	<b>93,722,840</b>

**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 8: INVESTMENT INFORMATION**

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Approved Budget R	Adjusted Budget R	Full Year Forecast RR	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R				Budget R	Budget R	Budget R
<b><u>Investment Type</u></b>							
Securities - National Government							
Listed Corporate Bonds	5722	5,722	5,722		5,722	5,722	5,722
Deposits - Banks	71,631,031	25,500,000.00	25,500,000.00		20,000,000	17,500,000	20,500,000
Deposits - Public Investment Commissioners							
Deposits - Corporation for Public Deposits							
Bankers Acceptance Certificates							
Negotiable Certificate of Deposit - Banks							
Guaranteed Endowment Policies (sinking funds)							
Repurchase Agreements - Banks							
Municipal Bonds							
<b>TOTAL INVESTMENTS</b>	<b>71,636,753</b>	<b>25,505,722</b>	<b>25,505,722</b>	<b>-</b>	<b>20,005,722</b>	<b>17,505,722</b>	<b>20,505,722</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 9: GRANT ALLOCATIONS

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R				Budget R	Budget R	Budget R
<b><u>Allocations to Other Municipalities</u></b>							
CBLC7: Phokwane	6,922,668	2,500,000	2,500,000	2,500,000	3,200,000	4,394,480	5,000,000
NC093: Magareng	6,545,179	4,443,025	4,443,025	4,443,025	2,500,000	5,000,000	9,279,950
NC092: Dikgatlong	10,078,248	3,299,975	3,299,975	3,299,975	2,500,000	3,720,000	954,530
DC9: Frances Baard District Wide	3,894,760	1,400,000	1,400,000	1,400,000	3,991,700		
NC091: Sol Plaatje	6,900,100	2,400,000	2,400,000	2,400,000	3,500,000	2,500,000	7,500,000
Baclogs in water & sanitation at clinics & schools		2,325,000	2,325,000	2,325,000	6,647,000	0	0
Unallocated			-	0			
Expanded works program	0	0	0	0	2,512,000	0	0
Unallocated - Revenue Funded Projects							
Unallocated (Mintenance Fund)		7,000,000	6,500,000	6,500,000	9,000,000	10,000,000	10,000,000
Unallocated (Unforseen Expenditure)		500,000	500,000	500,000	0	0	0
Unallocated (MIG Grant)		3,449,000	3,449,000	3,449,000	5,871,000	6,773,000	5,814,000
<b>TOTAL ALLOCATIONS TO MUNICIPALITIES</b>	<b>34,340,955</b>	<b>27,317,000</b>	<b>26,817,000</b>	<b>26,817,000</b>	<b>39,721,700</b>	<b>32,387,480</b>	<b>38,548,480</b>
<b><u>Other Allocations</u></b>							
Goodwill Projects	239,525	300,000	568,000	568,000	350,000	320,000	336,000
NCTA Support Grant	131,579	150,000	150,000	131,580	135,000	135,000	135,000
Special Projects - Speaker	104,404	315,000	315,000	315,000	315,000	330,760	347,300
Special Projects - Executive Mayor	-	220,000	220,000	220,000	470,000	490,000	514,500
Special projects - Municipal Manager	36,815	-	-	-	3,500,000	-	-
Special Projects - Special Programmes	-		217,500	160,520	226,520	228,020	228,320
Communication & Marketing	134,720	345,360	340,000	340,000	685,420	331,540	287,720
Financial System	1,103,050	4,720,000	4,000,000	4,000,000	4,000,000	-	-
Employee Assistance Programme	17,385	70,000	70,000	4,596	100,000	100,000	100,000
MSIG Projects	407,449	1,735,000	1,735,000	1,735,000	2,300,000	1,000,000	1,000,000
IDP Management	-	33,500	33,500	33,500	33,370	35,040	36,790
LED Projects	1,188,851	3,032,720	2,968,299	527,468	971,200	2,078,000	1,432,000
Tourism / Publicity Projects	419,929	895,000	895,000	895,000	2,050,000	1,420,500	1,508,625
Environmental Health Projects	286,430	215,690	184,040	125,314	145,110	100,800	105,840
Community Projects	323,708	244,000	544,000	544,000	240,000	319,900	290,220
Firefighting / Disaster Management Projects	208,009	699,525	699,525	699,525	367,180	383,700	400,970
Disaster emergency projects	-	48,600	48,600	48,600	180,000	180,000	180,000
FMG Development Projects	-	-	-	-	554,060	287,770	342,150
Housing Awareness campaign	-	150,000	10,000	10,000	10,000	12,000	14,400
<b>TOTAL ALLOCATIONS TO OTHER ORGANISATIONS</b>	<b>4,601,852</b>	<b>13,174,395</b>	<b>12,998,464</b>	<b>10,358,104</b>	<b>16,632,860</b>	<b>7,753,030</b>	<b>7,259,835</b>
<b>TOTAL ALLOCATIONS MADE</b>	<b>38,942,807</b>	<b>40,491,395</b>	<b>39,815,464</b>	<b>37,175,104</b>	<b>56,354,560</b>	<b>40,140,510</b>	<b>45,808,315</b>

# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 10: SUMMARY OF SALARIES, WAGES & ALLOWANCES

SUMMARY OF TOTAL SALARIES, WAGES, ALLOWANCES etc	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R	Approved Budget R	Adjusted Budget R	Full Year Forecast R	Budget Year 2009/10 Budget R	Budget Year +1 2010/11 Budget R	Budget Year +2 2011/12 Budget R
<u>Councillors (Political Office Bearers plus Other)</u>							
Basic Salaries	2,301,105	2,420,660	2,420,660	2,420,660	2,662,730	2,795,870	2,935,660
Pension Contributions	227,528	239,990	239,990	239,990	263,990	277,190	291,050
Medical Aid Contributions	43,839	50,100	50,100	50,100	55,110	57,870	60,760
Allowances	988,379	1,238,600	1,238,600	1,238,600	1,362,460	1,430,590	1,502,130
Sub Total - Councillors	<b>3,560,851</b>	<b>3,949,350</b>	<b>3,949,350</b>	<b>3,949,350</b>	<b>4,344,290</b>	<b>4,561,520</b>	<b>4,789,600</b>
<u>Senior Managers of the Municipality (s 57 of Systems Act)</u>							
Employee Related Costs	2,505,945	2,309,995	2,309,995	2,309,995	3,559,950	3,737,950	3,924,850
Social Contributions		448,500	448,500	448,500	617,800	648,690	681,120
Compulsory Levies		31,445	31,445	31,445	53,290	55,950	58,750
Performance Bonus	219,641						
Sub Total - Senior Managers of Municipality	<b>2,725,586</b>	<b>2,789,940</b>	<b>2,789,940</b>	<b>2,789,940</b>	<b>4,231,040</b>	<b>4,442,590</b>	<b>4,664,720</b>
<u>Other Municipal Staff</u>							
Employee Related Costs	13,380,243	18,316,905	18,316,905	15,316,905	19,620,160	20,690,190	21,725,640
Social Contributions	3,549,848	3,947,125	3,947,125	3,172,717	4,962,140	5,210,250	5,470,760
Compulsory Levies	164,320	309,335	309,335	309,335	352,500	370,650	387,630
Performance Bonus	-						
Sub Total - Other Municipal Staff	<b>17,094,411</b>	<b>22,573,365</b>	<b>22,573,365</b>	<b>18,798,957</b>	<b>24,934,800</b>	<b>26,271,090</b>	<b>27,584,030</b>
<b>TOTAL EMPLOYEE COSTS</b>	<b>23,380,848</b>	<b>29,312,655</b>	<b>29,312,655</b>	<b>25,538,247</b>	<b>33,510,130</b>	<b>35,275,200</b>	<b>37,038,350</b>



# FRANCES BAARD DISTRICT MUNICIPALITY

TABLE 11: SUMMARY OF PERSONNEL NUMBERS

SUMMARY OF PERSONNEL NUMBERS (Full Time Equivalent)	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual No.	Approved Budget No.	Adjusted Budget No.	Full Year Forecast No.	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget No.	Budget No.	Budget No.
<u>Municipality</u>							
Councillors (Political Office Bearers plus Other)	25	25	25	25	25	25	25
Senior Managers including Municipal Manager (s 57 of Systems Act)	3	4	4	4	5	5	5
Other Managers	8	14	14	14	13	13	13
Technical / Professional Staff	26	35	35	35	35	35	35
Other Staff (clerical, labourers etc)	44	60	60	60	68	68	68
<b>TOTAL</b>	<b>106</b>	<b>138</b>	<b>138</b>	<b>138</b>	<b>146</b>	<b>146</b>	<b>146</b>

## FRANCES BAARD DISTRICT MUNICIPALITY

**TABLE 12: DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS**

<b>DISCLOSURE OF SALARIES, ALLOWANCES &amp; BENEFITS</b>	<b>Employee related Cost R</b>	<b>Social Contributions R</b>	<b>Compulsory Levies R</b>	<b>Performance Bonuses R</b>	<b>Total Package R</b>
<b>Councillors</b>	<b>3,975,110</b>	<b>323,110</b>	<b>46,070</b>	<b>-</b>	<b>4,344,290</b>
Mayor	517,950	74,490.00	5,180.00	-	597,620
Speaker	296,220	-	2,960.00	-	299,180
Member of Mayoral Committee	461,900	-	4,620.00	-	466,520
Member of Mayoral Committee	262,870	27,790.00	2,630.00	-	293,290
Member of Mayoral Committee	262,870	27,790.00	2,630.00	-	293,290
Member of Mayoral Committee	290,660	-	2,910.00	-	293,570
Member of Mayoral Committee	418,440	43,470.00	4,610.00	-	466,520
Ordinary Members	1,464,200	149,570.00	20,530.00	-	1,634,300
<b>Officials of the Municipality</b>	<b>3,559,940</b>	<b>617,810</b>	<b>53,290</b>	<b>-</b>	<b>4,231,040</b>
Municipal Manager (MM)	790,230	150,840	11,450	-	952,520
Chief Finance Officer	666,190	142,980	10,460	-	819,630
Director: Administration	679,330	129,840	10,460	-	819,630
Director: Planning & Development	641,530	167,640	10,460	-	819,630
Director: Technical Services	782,660	26,510	10,460	-	819,630
<b>TOTAL COST OF REMUNERATION TO MUNICIPALITY</b>	<b>7,535,050</b>	<b>940,920</b>	<b>99,360</b>	<b>-</b>	<b>8,575,330</b>

**FRANCES BAARD DISTRICT MUNICIPALITY**

**TABLE 13: MONTHLY CASH FLOWS**

MONTHLY CASH FLOWS	Budget July 2009 R	Budget August 2009 R	Budget September 2009 R	Budget October 2009 R	Budget November 2009 R	Budget December 2009 R	Budget January 2010 R	Budget February 2010 R	Budget March 2010 R	Budget April 2010 R	Budget May 2010 R	Budget June 2010 R	Budget Full Year 2009/10 R	Budget Full Year 2010/11 R	Budget Full Year 2011/12 R
<b>Cash Operating Receipts by Source</b>													-	-	-
Opening balance	63,529,764	74,857,220	70,831,928	65,681,793	75,351,529	67,632,772	62,768,556	78,196,722	64,323,642	52,064,334	57,109,110	47,000,667	63,529,764	44,903,443	45,241,353
Property Rates	16,031	16,031	16,031	16,031	16,031	16,031	16,031	16,031	16,031	16,031	16,031	16,031	192,370	377,370	562,370
Service charges - water	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000	15,000	16,000
Interest earned - external investments	648,333	648,333	648,333	648,333	648,333	648,333	648,333	648,333	648,333	648,333	648,333	648,333	7,780,000	3,780,000	3,780,000
Other	60,462	60,462	60,462	60,462	60,462	60,462	60,462	60,462	60,462	60,462	60,462	60,462	725,540	755,820	819,120
Income for agency services	59,583	59,583	59,583	59,583	59,583	59,583	59,583	59,583	59,583	59,583	59,583	59,583	715,000	750,000	750,000
Grants - operating: Equitable share	16,961,750			16,961,750			16,961,750			16,961,750			67,847,000	75,851,000	82,678,000
Grants - operating: Finance Management Grant		750,000											750,000	1,000,000	1,250,000
Municipal Systems Improvement Grant		2,300,000											2,300,000	1,000,000	1,000,000
Expanded works programme							2,512,000								
Backlogs in water & sanitation at schools												6,690,000	6,690,000	-	-
Near Control Centre	59,500	59,500	59,500	59,500	59,500	59,500	59,500	59,500	59,500	59,500	59,500	59,500	714,000	725,000	768,000
NCPA - Housing			1,841,060												
Environmental Health Grant	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000	103,000	80,000
Grants - capital: MIG Projects									1,614,667	1,957,000	1,149,667	1,149,667	5,871,000	6,773,000	5,814,000
Grants - capital: Fire Fighting Equipment			300,000										300,000		
Rental of facilities and equipment	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	36,000	36,000
Gains on disposal of property, plant and equipment											120,000		120,000	90,000	
<b>Cash Operating Receipts by Source</b>	<b>81,347,590</b>	<b>78,763,296</b>	<b>73,829,064</b>	<b>83,499,619</b>	<b>76,207,605</b>	<b>68,488,848</b>	<b>83,098,382</b>	<b>79,052,798</b>	<b>66,794,385</b>	<b>71,839,160</b>	<b>59,114,852</b>	<b>55,696,409</b>	<b>157,560,674</b>	<b>136,069,633</b>	<b>142,794,843</b>
<b>Other Cash Receipts by Source</b>															
New Loans Raised													-	-	-
Receipts from old outstanding debtors													-	-	-
Etc (list each source)													-	-	-
<b>Total Cash Receipts by Source</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Operating Payments by Type</b>															
Employee related costs	2,254,038	2,251,618	2,252,305	2,253,124	3,679,974	2,253,316	2,260,984	2,260,984	2,261,879	2,261,879	2,428,280	2,262,164	28,680,545	30,713,680	32,248,750
Remuneration of Councillors	362,024	362,024	362,024	362,024	362,024	362,024	362,024	362,024	362,024	362,024	362,024	362,024	4,344,290	4,561,520	4,789,600
Repairs and maintenance			215,217	215,217	215,217	215,217	215,217	215,217	215,217	215,217	215,217	215,217	2,152,170	1,924,160	2,068,800
Interest paid						828,300							828,300	1,544,660	1,427,760
General Expenditure	618,470	618,470	618,470	618,470	618,470	618,470	618,470	618,470	618,470	618,470	618,470	518,470	7,321,640	8,162,800	8,422,240
Bulk purchases - Water	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	18,580	21,230	24,030
Contracted services	1,000,108	1,000,108	1,000,108	1,000,108									4,000,430	3,396,620	2,946,520
Grants and subsidies paid - other municipalities	2,254,182	2,254,182	2,254,182	2,254,182	2,254,182			11,270,912	11,270,912	11,270,912	8,488,645	2,254,182	55,826,476	40,140,510	45,808,315
Etc (list each type)													-	-	-
<b>Cash Operating Payments by Type</b>	<b>6,490,370</b>	<b>6,487,951</b>	<b>6,703,854</b>	<b>6,704,673</b>	<b>7,131,416</b>	<b>4,276,876</b>	<b>3,458,243</b>	<b>14,729,155</b>	<b>14,730,051</b>	<b>14,730,051</b>	<b>12,114,185</b>	<b>6,439,906</b>	<b>103,996,731</b>	<b>90,465,180</b>	<b>97,736,015</b>
<b>Other Cash Payments by Type</b>															
Capital Expenditure		1,443,417	1,443,417	1,443,417	1,443,417	1,443,417	1,443,417						8,660,500	363,100	283,680
Loans repaid													-	-	-
Etc (list each source)													-	-	-
<b>Total Cash Payments by Type</b>	<b>-</b>	<b>1,443,417</b>	<b>1,443,417</b>	<b>1,443,417</b>	<b>1,443,417</b>	<b>1,443,417</b>	<b>1,443,417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,660,500</b>	<b>363,100</b>	<b>283,680</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; INVESTMENTS</b>	<b>74,857,220</b>	<b>70,831,928</b>	<b>65,681,793</b>	<b>75,351,529</b>	<b>67,632,772</b>	<b>62,768,556</b>	<b>78,196,722</b>	<b>64,323,642</b>	<b>52,064,334</b>	<b>57,109,110</b>	<b>47,000,667</b>	<b>49,256,503</b>	<b>44,903,443</b>	<b>45,241,353</b>	<b>44,775,148</b>

